2023

Annual and Sustainability Report

Media and Games Invest SE

TABLE OF CONTENTS

INTRODUCTION 3

2023 In Brief 4
Letter of the CEO 5
Letter of the Chairman 8
Our Mission – Let's Make Media Better 12

BOARD OF DIRECTORS REPORT 21

Overview by Segment 29
Shareholder Information 30

CORPORATE GOVERNANCE REPORT 33

Board of Directors 47
Leadership Team 48
Internal Control and Risk Management 49
Auditor's Report on the Corporate Governance Satement 62

SUSTAINABILITY REPORT 64

Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123

FINANCIAL STATEMENTS 124

Financial Statements – Group 125
Notes – Group 131
Financial Statements – Parent Company 193
Notes - Parent Company 199

AUDITOR'S REPORT 207

DEFINITIONS 213

Non-IFRS Measures 213
Ad-tech Glossary 214

Media and Games Invest SE

INTRODUCTION 3
2023 In Brief 4
Letter of the CEO 5
Letter of the Chairman 8
Our Mission – Let's Make Media Better 12
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

INTRODUCTION

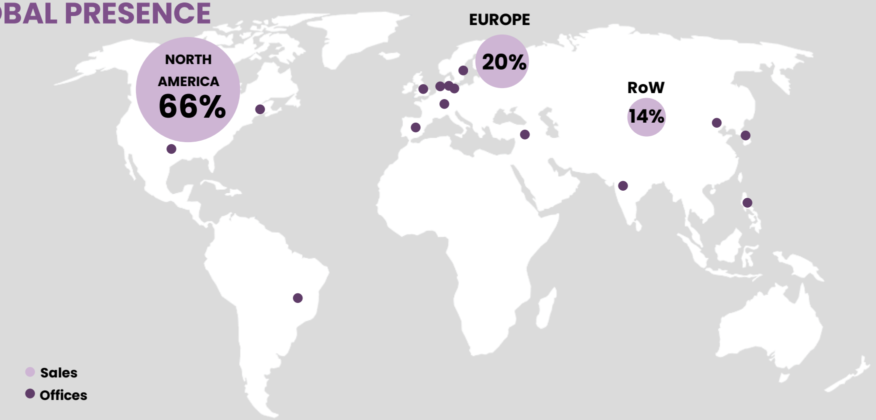
WHAT WE DO

MGI operates a software platform for the automated buying and selling of digital advertising space in real time. In the U.S., the largest advertising market worldwide, we are the market leader in in-app advertising, and we are also one of the largest providers in Europe.

OUR MISSION – LET'S MAKE MEDIA BETTER

We're disrupting the value chain to create value. For advertisers. For publishers. For the processes, platforms; and systems that they invest in. Whether someone works in Berlin, Shanghai, or New York, MGI Group believes that collaboration and speed is the formula to success.

GLOBAL PRESENCE



Numbers refer to the average values, 2023 by assumed location of clients based on IP address or similar.

550+ Software Clients

700+ Employees

700B+ Yearly ad impressions

15+ Locations worldwide

2B+ Connected devices

250M+ Daily active users

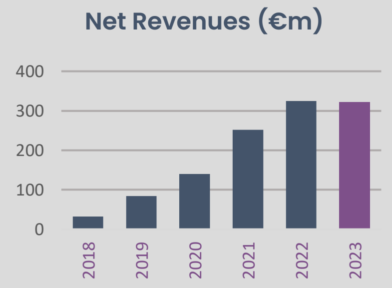
Media and Games Invest SE

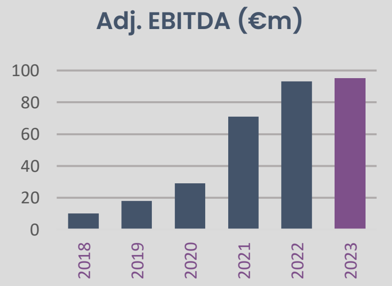
INTRODUCTION 3
2023 In Brief 4
Letter of the CEO 5
Letter of the Chairman 8
Our Mission – Let's Make Media Better 12
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

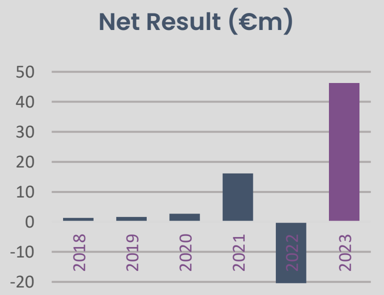
2023 In Brief

REVENUES	ADJ. EBITDA	EMPLOYEES
€ 322m	€ 95m	700+

- Net Revenues amounted to € 322m (FY 2022: € 324.4m), a decrease of -1%. Adjusted for FX and divestments the Organic Revenue Growth amounted to 5% in 2023.
- The Adjusted EBITDA amounted to € 95.2m (from € 93.2m), an increase of 2% driven by the initiated cost saving program.
- The Net Result amounted to € 46.2m (FY 2022: € -20.4m), an increase of € 66.6m driven by the AxesInMotion Earn-Out release.
- Pixalate data shows we strengthened our market share to 12% on iOS and 12% on Android devices in North America.
- We invested more than € 10m in AI technology with the clear aim of developing ID-less targeting solutions and streamlined our business through a cost saving program.
- In the fourth quarter, we returned to meaningful Organic Revenue Growth of 16% (FY 2023: 5%).
- With visibility into early 2024, we expect to return meaningful double-digit Organic Revenue Growth driven by our investments.







Media and Games Invest SE

INTRODUCTION	3
2023 In Brief	4
Letter of the CEO	5
Letter of the Chairman	8
Our Mission – Let's Make Media Better	12
BOARD OF DIRECTORS REPORT	21
CORPORATE GOVERNANCE REPORT	33
SUSTAINABILITY REPORT	64
FINANCIAL STATEMENTS	124
AUDITOR'S REPORT	207
DEFINITIONS	213

Letter of the CEO

"Dear Shareholders,

I am pleased to announce that MGI has returned to 16% organic growth in the fourth quarter 2023, and that this trend continues into 2024.

While we showed a low single-digit organic revenue growth in the first three quarters of 2023, primarily due to the challenges posed by the general economic climate, 2023 also saw the Company achieve significant milestones and market share gains. Consequently, today, we are the market leader in in-app advertising in North America.

In 2023, we paved the way for accelerated organic growth in 2024 and beyond by focusing on streamlining the business and making strategic product and AI investments, as well as supply chain optimizations.

The fact that the positive growth has continued into Q1 2024 makes us confident that this is a sustainable trend resulting from the strategic decisions taken over the past few years, putting MGI in a strong position for the coming years.

Below I will reflect on MGI's progress and achievements in the past year, while also outlining our strategic direction and outlook for the future in more detail.

INTRODUCTION 3
2023 In Brief 4
Letter of the CEO 5
Letter of the Chairman 8
Our Mission – Let's Make Media Better 12
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Streamlined Operations

As part of our cost-efficiency initiative, we successfully implemented a € 10m annual cost savings program in Q3 2023. Throughout the year, our focus was on streamlining our cost structure and platform optimization. Our cost base is very flexible and there is even more room for cost optimization based on further platform integrations. Our cost focus led to an increased Adjusted EBITDA of € 95m compared to € 93m last year.

Product Development for Mobile and CTV Devices

Investment in our products and technologies remains a cornerstone of our strategy. We focused on improving our in-app SDKs[1] / interfaces by further investing into state-of-the-art interstitial and rewarded banners, video ads, and also CTV[2] offerings with dynamic pod bidding. This led to significant new customer onboardings as well as an increased wallet share of existing customers.

Strategic Investments in AI and Data

Since 2019, we have been strategically investing in AI and data with the clear aim of developing ID-less solutions for the upcoming years where advertisers no longer only rely on cookies and other personal identifiers. In 2023 alone, we invested more than € 10m in AI technology and our ID-less products ATOM and Moments.AI as well as our ML-Optimizations for iOS devices. After Apple abolished IDFA[3] and Google also started deprecating cookies in the beginning of 2024, we saw significantly increased demand for our ID-less solutions resulting in additional sales in 2023 and early 2024.

Matching Direct Demand with Direct Supply

2023 was also the year in which advertisers significantly increased their focus on supply path optimization[4]. MGI was able to benefit from its early investments in its vertically integrated full-stack platform. Through the investments in direct demand and supply integrations, we are now able to provide advertisers with a direct connection to one of the largest pools of direct app integrations in North America as well as to our owned and operated games portfolio.

Taking Market Share in 2023

Our total number of Software Clients increased by 19% to 2,276, while the number of ad impressions increased by 14% to 206 billion. Pixalate data shows that we further strengthened our market leading position to 12% on iOS and 12% on Android devices in North America.

[1] A software development kit, or SDK, is a piece of code that permits third parties to embed their technologies and services in mobile applications. For more details, please consider our glossary.
[2] A Connected TV, or CTV, is an umbrella term that refers to any TV set that is connected to the internet and allows the user to stream video content. For more details, please consider our glossary.
[3] The identifier for advertisers (IDFA) is a random device identifier assigned by Apple to a user's iOS device. Advertisers can use this device ID to track data so they can deliver customized advertising.
[4] Supply Path Optimization (SPO): Finding the shortest and most profitable route to ad inventory allowing media buyers to bid on and win inventory at the best prices, while publishers can maximize their revenues in the long term by cutting out unnecessary middlemen and increasing transparency.

INTRODUCTION 3
2023 In Brief 4
Letter of the CEO 5
Letter of the Chairman 8
Our Mission – Let's Make Media Better 12
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Ready for Accelerated Growth in 2024

In the fourth quarter, we returned to meaningful FX adjusted organic growth of 16% (FY 2023: 5%). The growth was mainly driven by new Software Clients in combination with significant product innovations throughout 2023. Despite a decline in advertising budgets of ~30% expressed in lower prices for ads (CPMs), we were able to compensate for the reduction in advertising budgets by increasing volume and taking market share.

We are beginning to see a recovery of the advertising market, especially in the U.S., which represents approximately 70% of our revenues. This recovery in advertising spending should be further bolstered by significant events such as the upcoming U.S. elections, the Summer Olympics and the European Football Championships in 2024.

Now with visibility into Q1 2024, we are pleased to report a strong start of the year 2024 the year and expect to return meaningful double-digit Organic Revenue Growth driven by our investments and the overall market recovery in 2024."

Sincerely,

Remco Westermann,

CEO MGI – Media and Games Invest SE

Media and Games Invest SE

INTRODUCTION	3
2023 In Brief	4
Letter of the CEO	5
Letter of the Chairman	8
Our Mission – Let's Make Media Better	12
BOARD OF DIRECTORS REPORT	21
CORPORATE GOVERNANCE REPORT	33
SUSTAINABILITY REPORT	64
FINANCIAL STATEMENTS	124
AUDITOR'S REPORT	207
DEFINITIONS	213

Letter of the Chairman

"Dear shareholders,

We look back on the remarkable journey of the past year and, on behalf of the Board of Directors of MGI, I am delighted to present the 2023 Annual Report to you. 2023 marked a significant chapter in our development, characterized by extraordinary milestones and achievements that have moved us forward on the path to accelerated but sustainable growth and success.

Driving Efficiency and Growth

Over the course of 2023, we embarked on a transformative journey that redefined MGI's profile and increased the efficiency of our activities. Our consistent focus on integration, cost efficiency; and organic growth bore fruit, also adding many new customers and gaining market share, culminating in a remarkable 16% increase in organic growth in the fourth quarter. This performance is a testament to the commitment and hard work of our team and confirms our belief in the effectiveness of our strategic focus.

Resilience Amidst Challenges

In the midst of challenging macroeconomic conditions that negatively impacted the entire industry, we remained determined to drive value for our shareholders and stakeholders. Our resilience and adaptability were evident as we navigated through these headwinds and emerged stronger and more determined than ever.

INTRODUCTION 3
2023 In Brief 4
Letter of the CEO 5
Letter of the Chairman 8
Our Mission – Let's Make Media Better 12
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Commitment to Sustainability and Corporate Responsibility

While facing a challenging environment, we continued to pursue our sustainability agenda, an integral part of our business philosophy. Over the past year, significant progress has been made in implementing our sustainability agenda, underlining our commitment to long-term value creation, and having the nice side effect of improvements in our sustainability ratings.

Innovation Driving Success

Our successes in product development are a testament to our ability to anticipate and capitalize on groundbreaking trends in the industry. We have recognized the importance of developing solutions for the depreciation of advertising identifiers like cookies or IDFA. Our skills in AI and ML and our further investment in these high-growth verticals enabled us to achieve large improvements for our future - proof targeting solutions. Our data and AI-driven products, including ATOM, Moments.AI, and SKAN Optimization, are widely recognized and increasingly sought after by our clients, earning us awards from prestigious organizations such as Digiday.

In addition, our forward-thinking approach to advertisers' efforts to optimize their supply chain has positioned us as a leading partner in this space. Through our concerted efforts to expand our SDK integrations with publishers, we have cemented our position as a trusted partner that stands for premium supply, as evidenced by endorsements from Pixalate and Jounce Media, among others.

Adding focus towards Agencies and Brands

To further strengthen our position and enable long-term double-digit growth, we are focusing on expanding and improving our position as an intermediary between advertiser and consumer. While we are strong on the supply side, especially having strong direct relations to App and CTV publishers, we want to also build similar strong relations with advertisers and their agencies, while also bolstering our position in further channels such as digital out-of-home (DOOH) media.

We have strengthened our management team and are committed to investing in promising growth projects to position ourselves also as a strong ally for agencies, agency networks, and brands. We are aware that investing in these advertiser relations will take time, but also will bring further growth. Our aim is to provide a seamless experience by utilizing our integrated value chain to deliver a clear and compelling value proposition. We strive to become a globally recognized brand that stands out for its tangible added value for partners.

Confidence in Future Growth

Our focus was and will remain on strong organic growth: onboarding new customers, scaling existing customers, onboarding new publishers, geographic expansion and investing in our AI driven targeting solutions and further innovation, while also remaining cost conscious and keeping our ESG focus.

While we did not make any acquisitions last year, value-enhancing acquisitions will remain an option in the future, subject to the sec-

Media and Games Invest SE

INTRODUCTION 3
2023 In Brief 4
Letter of the CEO 5
Letter of the Chairman 8
Our Mission – Let's Make Media Better 12
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

ondary conditions of secured long-term financing and a simultaneous focus on debt reduction, cost-efficient financing, and cash flow management.

We also continued to drive forward transparency and further professionalization in our capital market communication and will continue to prioritize this in the future.

At a glance:

The board of MGI held a total of 29 meetings.

We were concentrated on our Transformation Agenda

- We are on the way to transform multiple small competence units with a high potential to a global, high-performance partner for agencies, agency networks and brands, with an integrated value chain, a clear advantage in performance and a convincing value proposition.
- We are becoming a globally recognizable brand that creates real added value for its partners and we have developed and improved our value chain. Now, we offer an advertising software platform that helps advertisers efficiently acquire customers via smartphones, computers, connected TV and/ or digital-out-of-home media (DOOH), as well as publishers to efficiently and optimally monetize their advertising space. Key growth drivers include our AI-optimized targeting solutions, which set the standard in combining global privacy compliance with targeting efficiency, as well as our owned and operated games portfolio.
- We furthermore continue our focus on the supply side, increasing our direct publisher base, working closely together with them while focusing on a joint win-win of publishers and advertisers based on AI and Data optimized targeting.

We were also focused on

- Securing our long-term financing
- Limiting the risk of higher interest rates
- Building the foundation for a more cost-effective financing structure
- Fostering an accelerated organic growth by setting free additional resources
- Improving our transparency and capital markets communication

We are confident about the future and are convinced of the strength of our Company and the opportunities that lie ahead. The foundation laid in 2023 has positioned us stronger than ever, with robust growth prospects and a clear strategic direction.

Finally, we would like to thank our shareholders, employees, and partners for their unwavering support and commitment. Together, we will continue to navigate the dynamic landscape of the media industry, drive sustainable growth, and create value for all stakeholders."

Sincerely,

Tobias M. Weitzel
Chairman of the Board of Directors MGI - Media and Games Invest SE

Media and Games Invest SE

Our Mission – Let's Make Media Better

INTRODUCTION 3
2023 In Brief 4
Letter of the CEO 5
Letter of the Chairman 8
Our Mission – Let's Make Media Better 12

BOARD OF DIRECTORS REPORT 21

CORPORATE GOVERNANCE REPORT 33

SUSTAINABILITY REPORT 64

FINANCIAL STATEMENTS 124

AUDITOR'S REPORT 207

DEFINITIONS 213

INTRODUCTION 3
2023 In Brief 4
Letter of the CEO 5
Letter of the Chairman 8
Our Mission – Let's Make Media Better 12
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Our Mission – Let's Make Media Better

Business Overview

The Importance of Programmatic Advertising

Advertising is indispensable. It enables companies to make their products and services known to potential customers and target groups, strengthen the brand and increase demand. In short, it is an essential factor for successful business growth. It also benefits end users, for example, by informing them about products that are relevant to them or giving them free or discounted access to content.

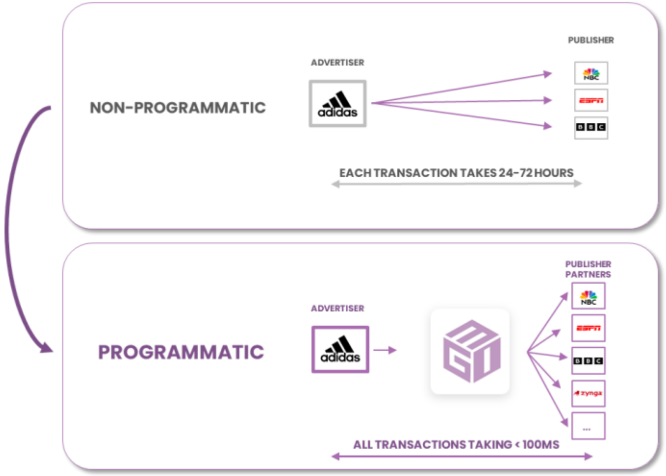
If the purpose of advertising agencies is to create and place ads and sell advertising space (ad inventory), then programmatic advertising companies aim to make the process of creating and placing ads and selling advertising space faster, easier, more transparent, and more effective by using low latency technology, artificial intelligence, powerful algorithms, and billions of data points.

As reflected in the picture, programmatic advertising companies are intermediaries between advertisers, who try to reach users on their smartphones, computers, connected TV (CTV) devices or via digital public billboards (DOOH) to attract new customers and publishers, who provide digital content that is consumed by users and monetized by selling ad space to advertisers.

Whereas in traditional advertising an advertiser usually requested ad space directly from the publisher by phone or email - which can be very time consuming and inefficient – with programmatic advertisement this process is fully automated and happens in real time, with revenue flowing from advertisers to publishers in an automated way, replacing the phone calls, faxes and paper Insertion Orders (IOs) used to manage and track deals in the past.

Programmatic Advertising

The turbo engine for consumer spending



INTRODUCTION 3
2023 In Brief 4
Letter of the CEO 5
Letter of the Chairman 8
Our Mission – Let's Make Media Better 12
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

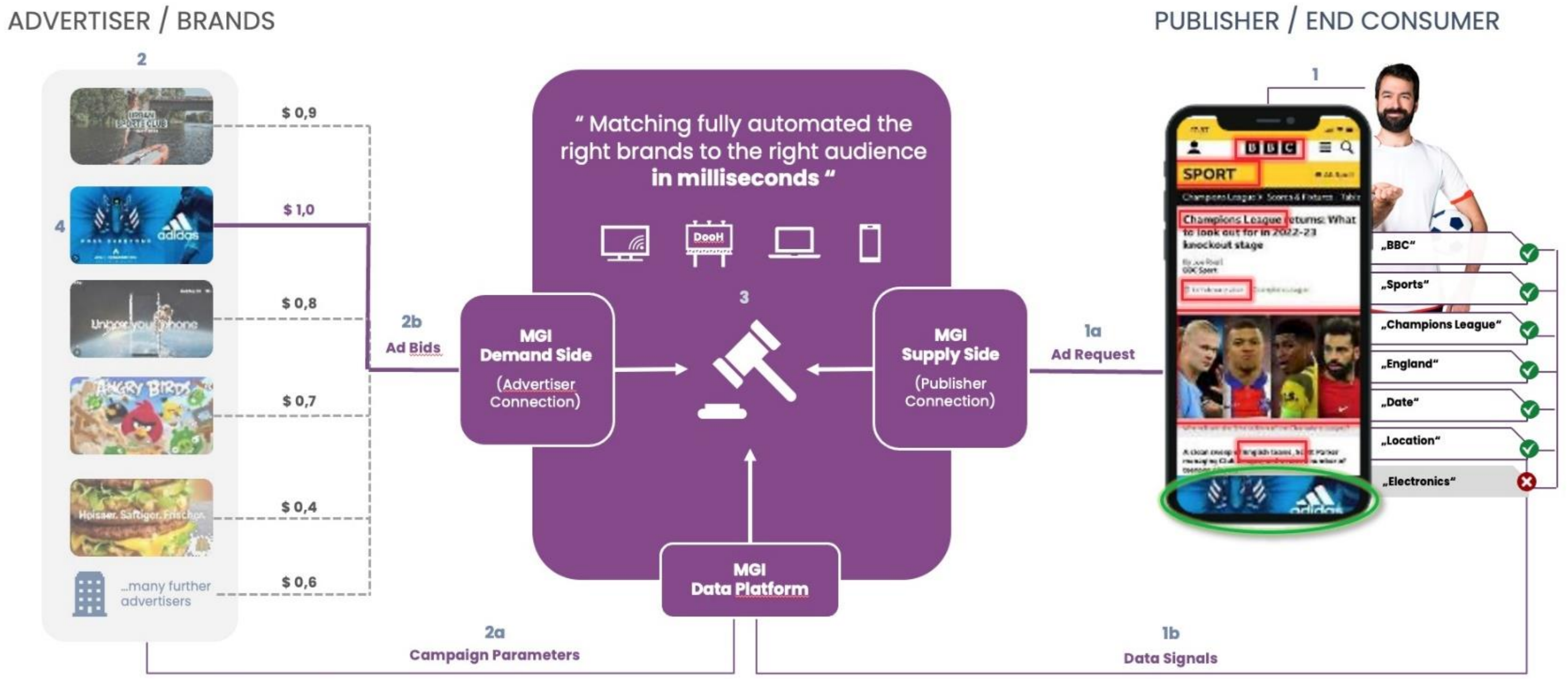
Automating the Buying and Selling of Ads on Digital Devices

The following simplified illustration shows an example process of a programmatic contextual transaction executed in usually under 100 milliseconds on the MGI Platform

1. Mobile phone user opens an app or a website (BBC Sport) on his/her cell phone.
   a. The publisher (BBC Sport) is connected to MGI's Supply Side Platform (SSP) and sends an ad request while the website is opening.
   b. At the same time, MGI collects contextual information. Contextual information is privacy-compliant and can be collected without the user's consent, as it does not contain personal data. Contextual information includes the text and images on the website, the location and keyboard language of the device, as well as contextual signals. Based on this information, MGI creates an artificial profile of the user and his / her interests with the help of its Data Management Platform and Artificial Intelligence.
2. Advertisers including most Fortune 500 companies are connected to MGI's Demand Side Platform.
   a. Connected Advertisers send MGI their campaign parameters (e.g. budget and information about the target group). Based on the campaign parameters and the artificially created user profile, MGI identifies the advertisers suitable for this advertising space and invites them to participate in an auction.
   b. The suitable advertisers send their ad bids to MGI.
3. The advertiser (in this example Adidas) for whom the user is most valuable, based on the artificially created user profile, will submit the highest bid, and win the auction for the ad space.
4. The winning advertiser's ad will be displayed on the website after it fully opens.

INTRODUCTION 3
2023 In Brief 4
Letter of the CEO 5
Letter of the Chairman 8
Our Mission – Let's Make Media Better 12
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

At the end of the process, the advertiser for whom the user is most valuable has been able to place his ad, which means that the publisher has received the highest possible price. At the same time, the user is shown an ad that is relevant to him / her based on the context in which he / she is currently engaged. The whole process is privacy compliant.



INTRODUCTION	3
2023 In Brief	4
Letter of the CEO	5
Letter of the Chairman	8
Our Mission – Let's Make Media Better	12
BOARD OF DIRECTORS REPORT	21
CORPORATE GOVERNANCE REPORT	33
SUSTAINABILITY REPORT	64
FINANCIAL STATEMENTS	124
AUDITOR'S REPORT	207
DEFINITIONS	213

Strong Position That Can Be Built on Further

MGI's core competencies can be divided into five main areas. Mobile in-app advertising, connected TV advertising (CTV), data and targeting, vertical integration, as well as owned and operated games. Today, MGI is one of the global leaders in mobile in-app advertising.

Mobile In-App

With over 20,000 direct integrations into the apps of leading publishers, MGI reaches over two billion end users and sets the standard for reach and quality of advertising space.

Connected TV

In addition to mobile in-app, MGI has expanded and strengthened its focus on CTV in recent years. Here too, MGI has significantly increased its footprint and now reaches more than 60% of U.S. households.

MGI's other two core competencies, data and targeting, as well as vertical integration, form an important basis for growth in the mobile in-app and CTV sectors.

Data and Targeting

Data, combined with technologies such as artificial intelligence, allows for better targeting of users and thus increased return on ad spend for the advertiser, more efficient monetization for the publisher and relevant advertising, cheaper content and better privacy for the end-user, even in an era of increasing data protection requirements and more difficult access to data, particularly due to large players such as Google and Apple (the so-called "walled gardens").

Vertical Integration

MGI's vertical integration, which allows it to cover the entire value chain between advertiser and publisher, makes the entire value creation process in what has been a particularly fragmented and non-transparent industry much more transparent and therefore more efficient and better for all parties involved.

Owned and Operated Games Portfolio

MGI owns and operates over 5,000 mostly casual, mobile and, MMO games with a substantial player base of over one billion registered accounts. MGI continues to expand its game portfolio and launch pipeline. In 2023, MGI launched 663 casual games. Through our games portfolio, we have access to first-party data and unique advertising inventory. First-party data enables better targeting and greater transparency in the reporting and monitoring of advertising campaigns. It also reduces exposure to fraud and makes MGI's advertising software platform less reliant on third-party data, which is becoming increasingly regulated. As such, the owned and operated games portfolio creates a strong competitive advantage for MGI's Advertising Software Platform.

INTRODUCTION 3
2023 In Brief 4
Letter of the CEO 5
Letter of the Chairman 8
Our Mission – Let's Make Media Better 12
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Market Overview

According to the Interactive Advertising Bureau (IAB)[5], digital advertising is characterized by, for ex-ample, advertisements and messages delivered via banner or video ads on mobile phones or websites as well as social media sites or online search engine advertising. The biggest difference between digital and traditional marketing is the medium through which the target audience encounters an advertisement. While traditional marketing uses traditional offline media such as magazines and newspapers, digital marketing uses digital online media such as apps or websites.

In the case of digital advertising, a rough distinction is made between devices and advertising formats. Devices include especially mobile phones / tablets, desktop / laptop, connected TV and digital out of home. All these devices can be used to display various digital advertising formats that convey the advertiser's message. The formats include banners, interstitials, native, in-stream / out-stream and rewarded video.

MGI's core expertise is in mobile and connected TV, where it currently generates over 90% of its media volume. However, the Company is also active on all other devices such as pc-web, mobile web and digital out of home in order to offer its customers the opportunity to obtain all services from a single provider. Tracking users across devices in compliance with privacy regulations will become increasingly important in the future. MGI's platform enables publishers and advertisers to use all advertising formats.

[5] The Interactive Advertising Bureau is an advertising business organization that develops industry standards, such as ad formats and app categories, in addition to conducting research.

Media and Games Invest SE

INTRODUCTION 3
2023 In Brief 4
Letter of the CEO 5
Letter of the Chairman 8
Our Mission – Let's Make Media Better 12
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

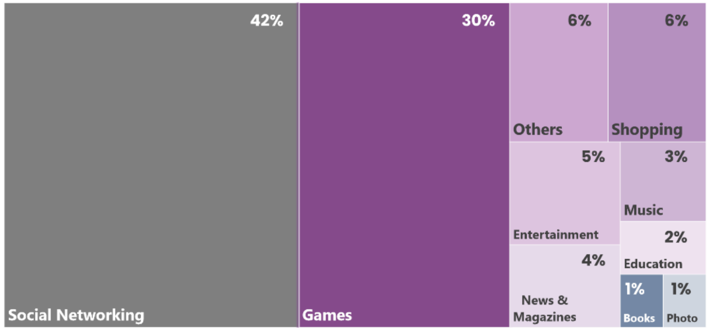
MGI's Total Addressable Market

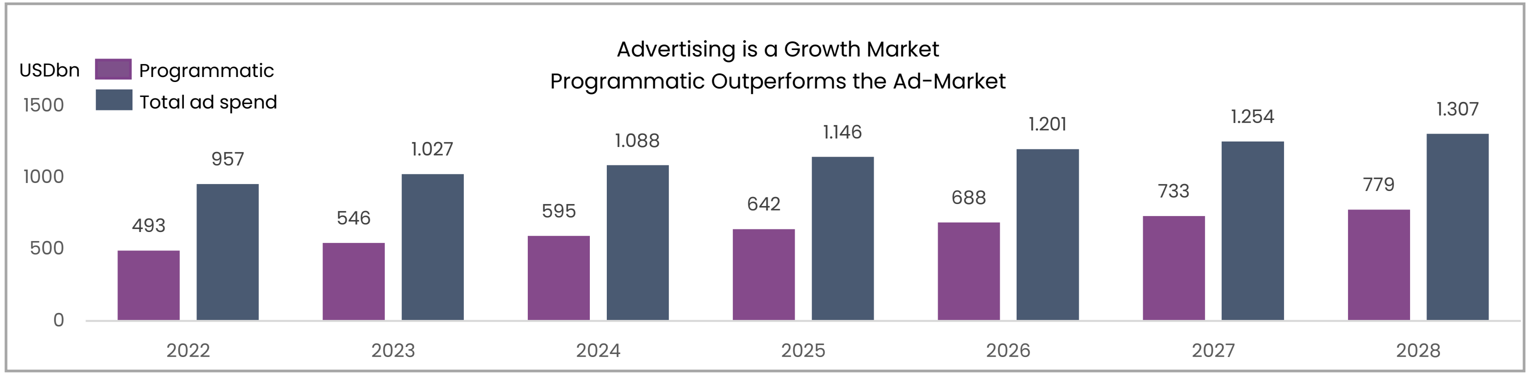
According to Statista, global advertising expenditure will amount to around $ 1.088bn in 2024. Programmatic advertising will account for 54% of this. This share will continue to rise and is expected to grow to approximately 60% by 2028.

Within the programmatic advertising market, MGI's core market is mobile in-app advertising, and the most important region is the United States. In-app advertising in the United States will be the fastest growing market in the coming years at +11% and will become the largest in-app advertising market worldwide, totaling around $ 127bn in 2024. Social media accounts for 42% of the in-app market in the United States, which is primarily played by walled gardens such as Facebook and Google.

MGI's focus is on the remaining 58% of the market, with a strong bias towards games, which is the second largest market after social media. In addition, the market for connected TV is expected to be around $ 30bn in 2024 with a CAGR of 10% until 2027.[6]

IN-APP ADVERTISING MARKET: MARKET SHARE BY CATEGORY IN UNITED STATES





[6] Market Insights by Statista: In-App Advertising Market – market Data and Analysis, December 2023, URL: https://www.statista.com/study/137342/in-app-advertising-market-data-and-analysis/

INTRODUCTION 3
2023 In Brief 4
Letter of the CEO 5
Letter of the Chairman 8
Our Mission – Let's Make Media Better 12
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Growth Strategy

As part of its mission "Let's Make Media Better", MGI's mid- and long-term strategy is to anticipate significant market changes at an early stage in order to take advantage of disruptive moments to gain significant market share. In this sense, MGI already started to invest in identifier-less advertising and supply-path optimization in 2019, which are fundamentally changing the advertising industry today.

Gaining Market Share in the Post-Identifier Era
Recognizing the growing privacy concerns of regulators and the efforts of walled gardens to increase their market power by making their data increasingly difficult to access, MGI foresaw the declining relevance of cookies and other personal data-based identifiers. In response, the Company invested in cutting-edge technologies as early as 2019 to harness the power of artificial intelligence, leveraging MGI's access to first-party data from its own games and over 20,000 direct integrations into leading publishers' apps.

By bypassing traditional identifiers, MGI is not only adapting to new privacy regulations, but also pioneering a more transparent and efficient advertising ecosystem. Its approach not only ensures compliance with evolving privacy standards, but also improves the user experience by minimizing intrusive tracking mechanisms. This shift heralds a new era where advertisers can achieve precise targeting without compromising user privacy and are less reliant on walled gardens.

Crucially, MGI's strategy goes beyond simply automating ad transactions. MGI's core expertise lies in enriching the process by providing advertisers and publishers with valuable insights that enable them to make informed decisions. This not only increases return on investment for advertisers, but also increases revenue for publishers, while delivering a superior user experience.

The results speak for themselves. MGI's early investment in ID-less targeting has given the Company a head start and enabled it to capture significant market share. According to Pixalate, MGI's market share on Apple devices in North America has grown from 6% to an impressive 12% during 2023.

MGI is also positioning itself as an alternative to the dominant walled gardens of Google and Apple. MGI has recognized the growing dissatisfaction of publishers and advertisers with the opaque nature of walled gardens and offers a transparent and efficient alternative. Its suite of AI-driven products, including ATOM, Moments.AI and ML-Driven Optimization for SKAN, are tailor-made to thrive in a post-identifier era and provide advertisers and publishers with the tools they need to navigate the evolving advertising landscape.

INTRODUCTION 3
2023 In Brief 4
Letter of the CEO 5
Letter of the Chairman 8
Our Mission – Let's Make Media Better 12
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Gain Market Share by Optimizing Access to Advertising Inventory

Supply Path Optimization (SPO) in digital advertising refers to the process of optimizing advertisers' access to publishers' advertising inventory. It aims to optimize and improve the efficiency of advertising transactions by identifying the most direct routes to reach desired audiences.

MGI foresaw SPO's potential early on, investing in a comprehensive advertising platform and direct integration with leading publishers. This proactive strategy empowers advertisers with transparency and control while fostering stronger publisher relationships.

MGI's foresight has positioned it as a global leader in premium mobile in-app inventory, recognized by industry experts at Jounce Media. Continuing this momentum, MGI will leverage its integrated platform to drive SPO innovation, maximizing campaign impact and delivering value to advertisers and publishers alike. Through strategic investments and innovation, MGI is poised to expand its market share in its key markets, mobile in-app and CTV, while strengthening its presence in complementary markets such as web and DOOH. Central to this endeavor are data-driven solutions, cutting-edge technology, and vertical integration, which serve as the foundation for enhancing the advertising ecosystem. Aligned with its mission, "LET'S MAKE MEDIA BETTER," MGI remains committed to optimizing the advertising process for all stakeholders, driving positive change across the industry.

Media and Games Invest SE

BOARD OF DIRECTORS REPORT

INTRODUCTION	**3**
BOARD OF DIRECTORS REPORT	**21**
Overview by Segment	29
Shareholder Information	30
CORPORATE GOVERNANCE REPORT	**33**
SUSTAINABILITY REPORT	**64**
FINANCIAL STATEMENTS	**124**
AUDITOR’S REPORT	**207**
DEFINITIONS	**213**

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
Overview by Segment 29
Shareholder Information 30
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

BOARD OF DIRECTORS REPORT

The Board of Directors and the CEO present the annual report and consolidated financial statements for MGI – Media and Games Invest SE, corporate reg. No. 517100-0143 for the financial year 1st January – 31st December 2023.

The sustainability information and the information on corporate governance can be found in the sustainability report on page 64-122 and in the governance report on page 33-61 of the annual report.

Comparable figures for the previous year are shown in parenthesis.

In €m	2022	2023	Change
Net Revenues	**324.4**	**322.0**	***-1%***
EBITDA	**84.8**	**128.5**	**+43.2**
EBITDA Margin	*26%*	*40%*	*+14pp*
Net Result	**-20.4**	**46.2**	**+66.6**
Net Result Margin	-6%	14%	*+20pp*

Media and Games Invest SE

INTRODUCTION	3
BOARD OF DIRECTORS REPORT	21
Overview by Segment	29
Shareholder Information	30
CORPORATE GOVERNANCE REPORT	33
SUSTAINABILITY REPORT	64
FINANCIAL STATEMENTS	124
AUDITOR'S REPORT	207
DEFINITIONS	213

Operations

MGI - Media and Games Invest SE (MGI or the Company) operates an AI-driven advertising software platform for the automated buying and selling of digital advertising space. Based in Sweden, MGI generates 66% of its revenues in North America, the world's largest advertising market, where it is a leading marketplace for mobile in-app advertising. With over 20,000 direct integrations into leading publishers' apps and its owned and operated games portfolio with over one billion registered users, MGI has access to a large pool of first-party data that it uses to train its Advertising-AI to improve the auction-process on its platform. MGI is listed on Nasdaq First North Premier Growth Market and in the Scale Segment of Deutsche Börse (ISIN: SE0018538068).

Revenue

In 2023, Net Revenues amounted to € 322.0m (compared to € 324.4m), a decrease of -1%. Adjusted for FX and divestments the Organic Revenue Growth amounted to 5% in 2023, propelled by strategic product investments and increased market share. While we showed a low single-digit organic revenue growth in the first three quarters of 2023, primarily due to the challenges posed by the general economic climate, 2023 also saw the Company achieve significant milestones and market share gains. Consequently, today, we are the market leader in in-app advertising in North America. In 2023, 66% of revenue was generated in North America, 20% in Europe and 14% in Rest of World.

EBITDA

In 2023, the EBITDA amounted to € 128.5m (FY 2022: € 84.8m), an increase of 52%. The strong increase was driven by the AxesInMotion Earn-Out revaluation which was partially off-set by restructuring expenses for the cost savings program, M&A expenses, and other items. The EBITDA margin increased in 2023 to 40% (FY 2022: 26%).

Net Result

The Net Result amounted to € 46.2m (FY 2022: € -20.4m), an increase of € 66.6m. The increase was driven by the AxesInMotion Earn-Out revaluation as well as lower amortization expenses in 2023 which were higher in 2022 due to the impairment of non-strategic games activities. Earnings Per Share amounted to € 0.29 (2022: € -0.13).

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
Overview by Segment 29
Shareholder Information 30
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Investments

In 2023, investments in self-developed software amounted to € 25.9m (FY 2022: € 29.9m) and included investments in the optimization of IT platforms to increase infrastructure efficiency as well as investments into AI technology as part of MGI's contextual targeting solutions. In addition, MGI further invested into first-party games content which provides a high number of in-house gamers' data to build audiences for advertisers. Capitalized Own Work as a percentage of net revenues decreased to 8% (9% in FY 2022). Next to self-developed software the Company invested amongst others into an identity graph and audience data technology to combine third-party data with first-party data to train its AI routines for connecting the right brands with the right end-consumer in milliseconds.

Financial Position and Cash Flow

The Operating Cash Flow in 2023 amounted to € 74.5m (FY 2022: € 134.2m), a decrease of 49%. The decrease was primarily driven by a positive one-time working capital effect of € 55m in the previous year from the initial set-up of the securitization program and the initial sale of receivables in December 2022. The net interest-bearing debt amounted to € 295m (FY 2022: € 274m), an increase of € 21m compared to 2022. The Companies net leverage as of 31st December 2023, amounted to 3.1x (2.9x as of 31st December 2022), an increase primarily driven by investments to expand the product offering in order drive additional organic growth in the coming periods as well as payments for earn-outs and interest. The Company's target leverage ratio remains between 2.0x - 3.0x. Cash and cash equivalents remained strong and amounted to € 121.7m as of 31st December 2023, giving the Company a high degree of liquidity going forward.

The Board of Directors proposes that no dividend is paid for the financial year 2023 and that the residue of this year's result shall be carried forward, to be decided at the 2024 Annual General Meeting in June.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
Overview by Segment 29
Shareholder Information 30
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

SIGNIFICANT EVENTS DURING 2023

- **Relocation From Malta to Sweden Completed:** On 2nd January 2023, a big milestone for MGI was achieved as the Company officially became Sweden-based. Historically, and for many years, the links to Sweden have been very strong; in 2018, MGI placed the first of several bonds in the Nordic country, and at the end of 2020, MGI listed on Nasdaq First North Premier in Stockholm. It is undeniable that the Company's past and current success occurred thanks to the strategic shift to the Nordics and Sweden, which is considered a tech-friendly European region from an innovation and capital markets perspective. With the relocation to Sweden, MGI also doubles down on improving its corporate governance structure.

- **Home Member State:** In January 2023, MGI announced that it had chosen Sweden (switching from Malta) to be its home member state in accordance with the Swedish Securities Market Act (Sw. Lag (2007:528) om värdepappersmarknaden). Accordingly, the Company will publish information regarding its listed securities in accordance with Swedish law and the Swedish Financial Supervisory Authority's regulations.

- **Publication of Bond Prospectus and Application for Listing on Nasdaq Stockholm:** On 12th May 2023 – MGI - Media and Games Invest SE prepared a prospectus which was approved by the Swedish Financial Supervisory Authority (Sw. Finansinspektionen) (the "SFSA") and published by the Company. MGI furthermore applied for listing of its 2027 Bonds on the Corporate Bond List on Nasdaq Stockholm (regulated market).

- **Bond Placement, Refinancing of Majority of 2024 Bonds:** During March 2023, MGI successfully placed € 225m of new senior secured floating rate bonds, which have a tenor of four years. This was a prudent move to mitigate risk, as it allowed the Company to diversify and extend maturities in a volatile market environment.

- **Divestment of 8% Minority Position in Enad Global 7:** MGI has divested its strategic minority position of 7,126,190 shares of Enad Global 7 ("EG7"), equivalent of approximately 8% of the total number of outstanding shares. The EG7 shares were sold at Nasdaq First North Growth Market during February 2023 after the share saw a strong appreciation after one of their games went viral.

- **AxesInMotion Earn-Out Release:** At the time of the acquisition of AxesInMotion a total discounted liability of € 79,779k (€ 85,441k undiscounted) was recognized on the balance sheet. In July 2023, an amount of € 5,240k was paid as earn-out. Subsequently, € 9,431k was released as an adjustment to the earn-out upon settlement. An additional € 53,325k was released in Q3 2023 as a fair value adjustment to the remaining financial liability. The fair value adjustment relating to the AxesInMotion earn-out liability was a result of deviations in the EBITDA threshold targets which were part of the consideration for the acquisition of AxesInMotion in 2022. As of 31st December 2023, the remaining liability for the AxesInMotion earn-out is € 15,077k.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
OVERVIEW BY SEGMENT 29
SHAREHOLDER INFORMATION 30
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

- **VERVE GROUP IS A LEADER IN PROVIDING PREMIUM MOBILE APP SUPPLY:** Jounce Media released a benchmarking report that collected supply chain data across more than 1.3 million websites, 720,000 mobile apps, and 36,000 connected TV apps to more deeply understand the ways in which buyers and sellers transact with one another. The report showed that MGI's Verve Group is the leader in providing premium mobile app supply, ensuring quality ad experiences at a lower cost. Verve Group delivers 79% of premium mobile app supply — more than any other SSP. It is the least dependent on sub-premium supply than all omnichannel exchanges. Verve Group was found to have direct partnerships with the largest mobile app developers. Jounce Media also showed how and where Verve Group ranked in quality CTV supply. The report showed how Verve Group's CTV quality is better than the competitive set with identical reach. Jounce Media is one of ad tech's most authoritative voices in programmatic supply chain management. It is trusted by the world's largest marketers, media companies, and advertising technology platforms to enable high efficiency programmatic trades. In Pixalate's Mobile Sell-Side Platform Market Share Q4 2023 Report, Verve Group has emerged as the most popular mobile SSP (advertising supply-side platform) in North America on both the Google and Apple App Stores. Demonstrating notable growth, Verve Group increased its market share on Apple App Store, as well as on the Google Play Store to 12% in Q4 2023.

- **MOMENTS AI 36x MORE EFFECTIVE AT TARGETING NEW, CONTEXTUALLY RELEVANT MEDIA THAN LEADING ALTERNATIVES**: To verify MGI's Moments.AI™ contextual ad targeting capability, TPA Digital conducted an independent test comparing it with two leading providers. The test Involved a 24-hour campaign targeting fresh sports-related content in the U.K. and Germany. It measured the proportion of impressions displayed on sports-related URLs and the percentage of impressions delivered on URLs published on the same day. Using Moments.AI™, TPA Labs discovered an impressive 96% of impressions being effectively delivered on URLs published on the very same day of the campaign. This strongly outperformed the alternative vendor segments, meaning TPA Labs can independently verify MGI's initial claims. Moments.AI™ delivered 85.9% of impressions on sports-related URLs, while only 4.6% and 4.3% of impressions delivered by the two other vendors appeared alongside articles classified as sports content. When analyzing these metrics together (% of impressions served on sports-related URLs and % of URLs published on the same day), MGI outperformed the leading market alternatives by 36x.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
Overview by Segment 29
Shareholder Information 30
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

- **EXECUTIVE MANAGEMENT**

I. Ionut Ciobotaru Departs Company: On 12th July 2023 MGI announced that Ionut Ciobotaru decided to step down as Chief Product Officer (CPO) and depart the Company. Ionut joined MGI in 2019 with the Company's acquisition of PubNative, which was founded by Ionut in 2014. After the acquisition, Ionut became co-CEO of MGI's Verve Group and was appointed CPO of MGI in 2022. After nearly 10 years of intense focus and successful growth, Ionut has decided to step back in order to take time to recharge, after which he plans to reenter the start-up landscape. Ionut's day-to-day responsibilities have been assumed by Sameer Sondhi, CEO of Verve Group and CRO of MGI, and Prasanna Prasad, CTO of Verve Group.

II. SONJA LILIENTHAL DEPARTS COMPANY**:** On 29th November 2023 MGI announced that Sonja Lilienthal decided to step down as Chief Investment Officer (CIO) and depart the Company and that MGI's M&A activities are assigned to CEO Remco Westermann. Sonja joined MGI in April 2022 to help the Company to take advantage of the consolidation in the media and games industry and execute MGI's M&A strategy. In her role as CIO, she was responsible for, amongst others, the successful acquisition and integration of AxesInMotion and Dataseat. Sonja also was in charge of key strategic projects for MGI, particularly in the ESG area, such as building and implementing MGI's partnership with Cedara as its global sustainability partner, which has been instrumental in the positive development of MGI's ESG performance and rating improvement.

III. Prasanna Prasad Appointed CTO of Verve Group: On 7th June 2023, MGI announced the appointment of Prasanna Prasad as Chief Technical Officer (CTO) of its media division, Verve Group. With nearly 20 years of relevant engineering and technology experience, Prasanna is now responsible for shaping the strategy for Verve Group's portfolio of technology services. Throughout his career, Prasanna has been recognized for his efforts in building large-scale platforms and shaping winning technology-led business strategies. Prior to joining Verve Group, Prasanna served as Chief Technology Officer and Head of Data Sciences at InMobi, where he led a team of over 300 engineers and technologists across North America, the U.K. and India. While at InMobi, he spearheaded the technology strategy for InMobi's Advertising Cloud and platforms, growing the InMobi SSP and DSP into fully fledged business units.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
Overview by Segment 29
Shareholder Information 30
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Employees

Over the reporting period we employed an average of 707 FTE. Please refer to Note 36 and the section Sustainability Report in the Board of Director's Report for additional information regarding the number of employees, gender distribution and other information related to employees.

Financial Targets

2023

MGI has published its Financial Targets for 2023 together with the Q1 2023 Report. Given that the advertising market has been more restrained than expected across the industry following higher interest rates and a downturn of the economy, the financial targets for 2023 were updated together with the Interim Report Q2 2023. With the updated guidance, revenue was expected to be at the level of 2022, normalized for divestments (€ 9m) and FX (€ 12m) with EBITDA for FY 2023 at the same level as 2022. At the end of the year, MGI was able to beat the updated guidance, achieving revenue of € 322m (updated guidance: € 303m). This was due to a strong organic growth acceleration in Q4 2023.

2024

As in the past, MGI plans to publish its financial guidance for the full year 2024 as part of the Interim Report Q1 2024. However, the announced organic growth in February 2024 (25%) shows a further acceleration of growth at the beginning of the year. As part of the publication of the Year End Report Q4 2023, management indicated that it expects a return to double-digit organic growth for the full year 2024.

The reasons for the expected growth acceleration are:

- New customer onboardings:
  MGI has successfully acquired new customers and has a substantial pipeline of additional new customers in the coming quarters. These include several large blue-chip customers, reflecting the confidence of industry leaders in our solutions.

- Increased budgets from existing customers:
  Following budget cuts in 2022/2023 due to economic headwinds, MGI is seeing an increase in advertising budgets from existing clients.

- Rising demand for ID-less targeting solutions:
  Through the use of its AI technology, MGI continues to meet the growing demand for privacy-friendly advertising solutions. Our pioneering work in ID-less targeting has positioned us as an industry leader and driven interest and adoption among advertisers.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
Overview by Segment 29
Shareholder Information 30
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Mid-Term Financial Targets

Revenue CAGR	Adj. EBITDA margin	Adj. EBIT margin	Pro-Forma Leverage[1]
25-30%	25-30%	15-20%	2-3x

Following the slowdown in 2022 and 2023, market growth in the programmatic advertising sector is expected to normalize again and grow at a CAGR in the lower double-digit range (as described in the section "MGI's Total Addressable Market"). Thanks to new customer onboardings, increased growth on the demand side and further growing demand for ID-less targeting solutions, as well as accretive M&A, management expects to be able to grow faster than the market in the medium term. MGI's mid-term (three-to-five years) financial targets are 25-30% Revenue CAGR, 25-30% Adj. EBITDA margin, 15-20% Adj. EBIT margin and pro-forma[7] net leverage between 2.0x - 3.0x.

Parent Company

MGI – Media and Games Invest SE is the Parent Company of the MGI Group. In 2023, net revenue of the Parent Company was € 2,875k (FY 2022: € 253k). Net result for the full year was € -24,683k (FY 2022: € -24,242k) and consisted mainly of interest expenses as part of its holding function.

Sustainability and Governance Information

MGI has prepared a Sustainability Report (in accordance with the Global Reporting Initiative (GRI) Standards) and a Governance Report. Both reports have been prepared, where applicable, in accordance with the disclosure requirements of the Swedish Annual Accounts Act, in accordance with the Swedish Corporate Governance Code and in accordance with the disclosure requirements of the EU Taxonomy Regulation. Both reports were published as part of the Annual Report. The reports can be found on page 33-61 (Governance Report) and page 64-122 (Sustainability Report) of the Annual Report.

Risks Factors and Enterprise Risk Management

MGI prioritizes enterprise risk management to safeguard shareholder interests and ensure sustainable growth. Our enterprise risk management is deeply integrated into our strategic planning processes, enabling proactive identification, assessment, and mitigation of potential risks. Operational and strategic risks, including changing technologies and customer requirements, are diligently monitored to uphold operational continuity. Similarly, corporate, and financial risks, such as financing, liquidity, and credit risks, are rigorously evaluated to inform agile decision-making. We employ sophisticated risk assessment methodologies, coupled with regular risk reviews and scenario planning exercises, to anticipate and address emerging threats effectively. By fostering a culture of risk awareness and accountability throughout the organization, MGI fortifies its resilience and remains well-positioned to capitalize on opportunities in an ever-evolving business landscape. This commitment underscores our dedication to delivering sustained value to our stakeholders while upholding the highest standards of corporate governance. A summary of the key risks and uncertainties identified by MGI and how they are managed as well as a more detailed description of internal control and risk management for financial reporting and other operational as well as strategic risks can be found in the Corporate Governance Report on page 52.

7 Mid-term net leverage target incl. LTM EBITDA from M&A.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
Overview by Segment 29
Shareholder Information 30
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Overview by Segment

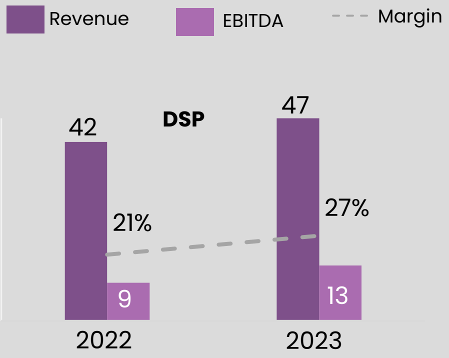
DEMAND

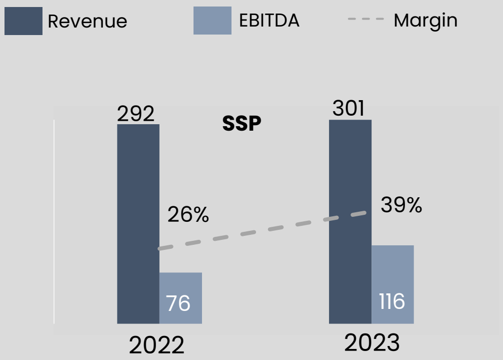
2023 was a year in which advertisers significantly increased their focus on supply path optimization. MGI was able to benefit from its early investments in its vertically integrated full-stack platform and drove 13% revenue growth on the demand side, with 46% EBITDA growth. With products such as AI for SKAN, ATOM or Moments.AI, MGI's platform offers value-added services which provide targeting solutions to advertisers for a world without identifiers and cookies which is expected to drive significant additional growth in 2024 from new customer onboardings as well as an increased share of wallet.

SUPPLY

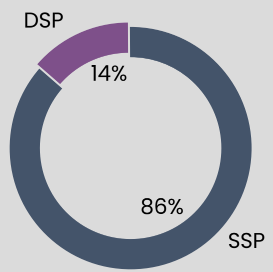
2023 was a year in which we significantly strengthened our market share becoming the leading Mobile SSP in North America for iOS and Android, according to Pixalate. Through the investments in direct supply integrations, we are now able to provide advertisers with a direct connection to one of the largest pools of direct app integrations in North America, as well as to our owned and operated games portfolio. While CPMs were down year-over-year we managed to grow our revenues by 1% by growing our volumes. At the same time, we grew our EBITDA by 52% driven by earn-out revaluations as well as an initiated cost saving program.

in €k	DSP UN-CONSOLIDATED Jan-Dec-23	SSP UN-CONSOLIDATED Jan-Dec-23	INTER-SEGMENT ELIMINATION	CONSOLIDATED Jan-Dec-23
Revenues	**47,122**	**301,391**	-26,533	**321,981**
Intersegment Revenues	18,972	7,561	-26,533	0
Revenues External	28,150	293,831		**321,981**
EBITDA	**12,878**	**115,580**		**128,458**





Revenue per Segment FY 2023



Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
OVERVIEW BY SEGMENT 29
SHAREHOLDER INFORMATION 30
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Shareholder Information

MGI's A-shares are listed on Nasdaq First North Premier and in the Scale Segment of Deutsche Börse under the ticker symbol M8G. There were no B-shares listed or outstanding as of the reporting date.

Share Performance

During 2023, MGI's share price decreased by 39% from SEK 19.80 to SEK 11.70. The First North All Shares Index decreased by 9% during the same period. The highest closing price for MGI A-shares was SEK 20.55. The lowest closing price was SEK 9.35 on 25th September 2023. The total shareholder return for MGI A-shares was also -39% while it was -8% for the First North All Share Index. In 2023, approximately 85% of trading in MGI shares took place on Nasdaq First North Premier, 10% on Xetra (electronic trading system of Deutsche Börse) and 5% on other trading venues.

Shareholder Remuneration

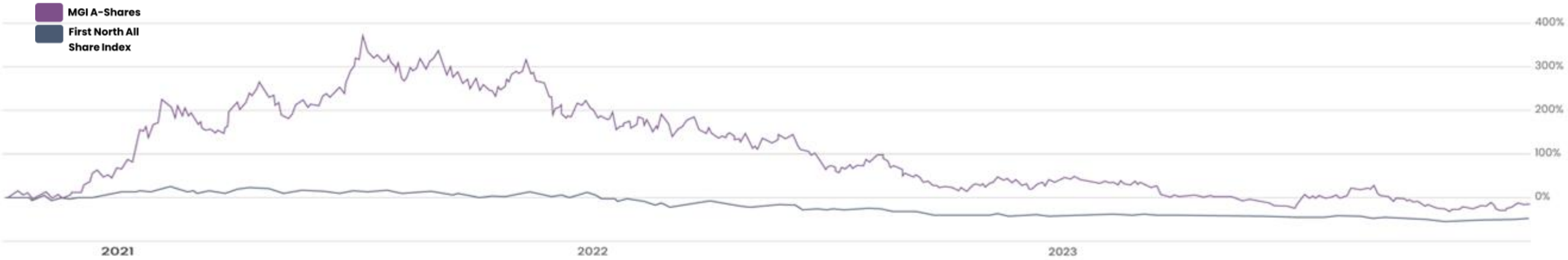
No dividends were distributed to shareholders in 2023 and no share buy-backs were carried out. As a growth company, MGI invests its surpluses in further growth. The Company intends to maintain this policy for the foreseeable future.

Further information regarding MGI's shares is stated in the corporate governance report, starting on page 32 of the Annual Report.

Directed Issue of Warrants to Cover Existing Obligations

In a planned action following the completed relocation of the Company's registered office from the Maltese to the Swedish jurisdiction the Company carried out a directed issue of 18,199,990 warrants to cover existing obligations. This issue was established to fit within the now relevant Swedish legislation and regulations in order to transfer already existing obligations relating to the ongoing Employee Stock Ownership Plan (ESOP), to strengthen employee retention (15,000,000 warrants), as well as to a potential share-based settlement of a Deferred Payment and Earn-out Payment related to the acquisition of Dataseat, in July 2022 (3,199,990 warrants). The issuance of these warrants was based on the authorization of the Board granted by the shareholders at the Extraordinary General Meeting on 1st November 2022 when all major MGI shareholder decisions with regards to the relocation to Sweden were finalized.

The 15,000,000 warrants for the ESOP program replaced the former option which was granted to Bodhivas GmbH to enable the same ESOP for MGI Group employees when MGI was still registered in Malta.



Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
OVERVIEW BY SEGMENT 29
SHAREHOLDER INFORMATION 30
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

APPROVED BY THE BOARD OF DIRECTORS ON 18TH APRIL 2024 AND SIGNED ON ITS BEHALF BY:

TOBIAS M. WEITZEL	MARY ANN HALFORD	ELIZABETH PARA
CHAIRMAN OF THE BOARD	MEMBER OF THE BOARD	MEMBER OF THE BOARD
JOHAN ROSLUND	FRANCA RUHWEDEL	REMCO WESTERMANN
MEMBER OF THE BOARD	MEMBER OF THE BOARD	CEO AND MEMBER OF THE BOARD

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
Board of Directors 47
Leadership Team 48
Internal Control and Risk Management 49
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR’S REPORT 207
DEFINITIONS 213

CORPORATE GOVERNANCE REPORT

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
BOARD OF DIRECTORS 47
LEADERSHIP TEAM 48
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

CORPORATE GOVERNANCE REPORT

MGI - Media and Games Invest SE is a Swedish limited liability company registered in the form of a Societas Europaea with company registration number 517100-0143. The Company's LEI is 391200UIIWMXRLGARB95. The shares of MGI are listed on Nasdaq First North Premier Growth Market in Stockholm, Sweden, and in the Scale Segment of Deutsche Börse (ISIN: SE0018538068). The Company has three secured Nordic bonds outstanding on Nasdaq Stockholm and the Open Market in Frankfurt (ISIN: SE0015194527, SE0018042277 and SE0019892241). The Company has its registered office at Stureplan 6, 114 35 Stockholm, Sweden and is the parent holding company of Media and Games Services AG (Switzerland), gamigo Holding GmbH (Germany), Samarion GmbH (Germany), Verve Holding GmbH (Germany), Vajrapani Limited (Malta), Platform 161 BV (Netherlands) and ME digital GmbH (Germany).

This Corporate Governance Report is prepared in accordance with the Swedish Corporate Governance Code (the "Code"). It is intended to provide MGI's investor base with a transparent insight into the Company's governance structures and will serve as a basis for the continuous further development of the governance structure.

Governance Events After the Reporting Period
In the beginning of 2023, the Company carried out a directed issue of 3,199,990 warrants to cover existing obligations for a potential share-based settlement of a Deferred Payment and Earn-out Payment related to the acquisition of Dataseat in July 2022. Under the terms and conditions of the Share Purchase Agreement, MGI could elect to pay the Deferred Consideration by way of a Share Issue Settlement, a Share Transfer Settlement or a Cash Settlement

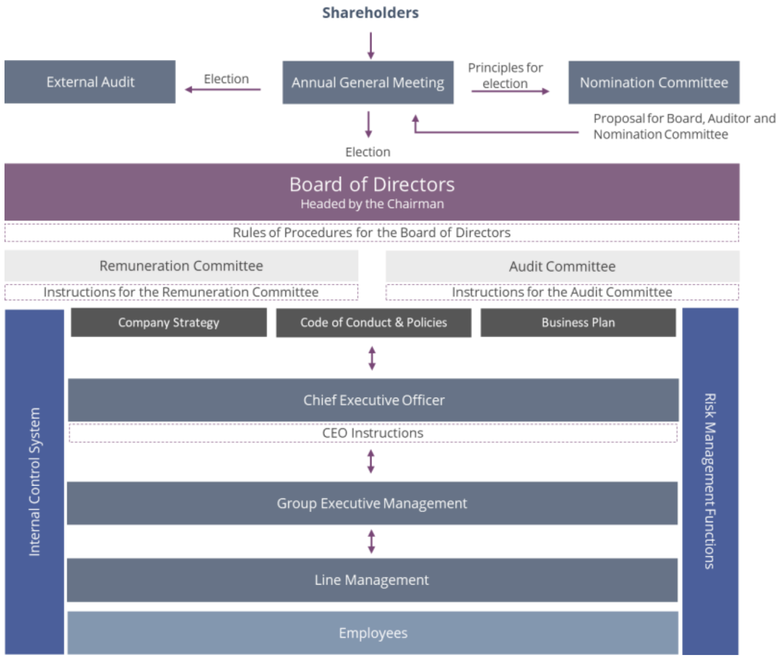


Figure 1 Governance Structure

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
Board of Directors 47
Leadership Team 48
Internal Control and Risk Management 49
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

or a combination thereof. On 23rd February 2024, MGI and the sellers entered a Deed of Amendment in which it was agreed upon to pay the deferred consideration components in cash and that the payment be paid in February 2024. For this reason, 1,599,995 of the 3,199,990 warrants originally issued were cancelled at the end of March 2024.

MGI continues to pursues its goal of creating a sustainable organization that has the appropriate procedures and structures in place to establish an appropriate framework for decision making, the assignment of responsibilities and the implementation of transparent reporting that supports the understanding and monitoring of the Company's development. This is expressed through strict standards and policies, a systematic risk management and transparent processes.

As will be shown in the following, the Company has introduced numerous measures and is optimizing continuously with the purpose of adapting internal processes and structures to the changed framework conditions.

Governance, management, and control in MGI are divided between the shareholders, the Board of Directors, the CEO and the MGI Group Executive Management in accordance with applicable laws, rules, policies and instructions, as shown in illustration 1 above.

Corporate governance at MGI is based on external regulations such as the Swedish "Companies Act", the Market Abuse Regulations, the Code, Nasdaq First North Premier Growth Market Rulebook (the "Rulebook") as well as the General Terms and Conditions of Deutsche Börse and the Rules and Regulations for the Scale Segment at Deutsche Börse, Nasdaq Stockholm's Rulebook for bond issuer and on internal regulations such as the Company's Articles of Association, Risk, Compliance, and Internal Control (RCIC) Framework, Code of Conduct, Board and CEO Instructions as well as further more specific policies, which can be found on the Company's website under the section Key Policies.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
Board of Directors 47
Leadership Team 48
Internal Control and Risk Management 49
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Shares and Shareholders

MGI's shares are listed on the Swedish Nasdaq First North Premier Growth Market since 6th October 2020. Before that MGI's shares were already listed on the Open Market of Deutsche Börse. On 13th July 2020, MGI up listed to the Scale segment of Deutsche Börse, following an actively initiated listing procedure. The Scale segment of Deutsche Börse for small and medium-sized enterprises("SMEs") is a registered SME growth market. The Scale segment sets higher transparency and reporting requirements for issuers than the Open Market. Since 6th October 2020, MGI's shares are dual listed in Germany and Sweden. The Scale segment as well as Nasdaq First North Premier Growth Market are multilateral trading facilities.

According to the statutes, the share capital of the Company shall be not less than € 155,000,000 and not more than € 620,000,000. The number of shares shall be not less than 155,000,000 and not more than 620,000,000. The shares may be issued in two share classes: shares of series A and shares of series B. Shares of series A shall entitle to ten (10) votes each, and shares of series B shall entitle to one (1) vote each.

Should the Company resolve to, through a cash issue or a set-off issue, issue new shares of different classes, holders of shares of series A and B shall have pro-rata preferential rights to subscribe for new shares of the same class in relation to the number of shares the holder previously holds (primary preferential right). Shares which are not subscribed for with primary priority shall be offered for subscription to all shareholders (subsidiary preferential right). Unless such offered shares are sufficient for the subscription made with subsidiary preferential right the shares shall be allocated in relation to the aggregated number of shares the shareholder owned in the Company prior to the subscription. To the extent this cannot be done regarding certain share(s), the allocation shall be decided by the drawing of lots. Should the Company resolve to increase the share capital through a cash issue or a set-off issue by only issuing one share class, the shareholders shall have preferential rights to subscribe for new shares only in relation to the number of shares of the same class they hold in the Company prior to the issue. In the event that the Company decides to issue new warrants or convertible debt instruments, by a cash issue or a set-off issue, the shareholders shall have preferential rights to the subscription of the new warrants as if the issue related to the shares that may be subscribed for following an exercise of the warrants or, in case of an issue of convertible debt instruments, as if the issue related to the shares that may be subscribed for following a conversion. What is stipulated above shall not restrict the possibilities of resolving on a cash issue, a set-off issue, or an issue of warrants or convertibles that does not take place against payment in kind, with deviation from the shareholders' preferential right.

One share of class A may at the request of the holder of such share be converted into one share of class B, provided that an application for listing of class B shares is submitted by the Company to a stock exchange. The request for conversion shall be made in writing to the Company no later than one month after the application for listing was submitted. The number of shares to which the request refers shall be stated. After the Company's shares of class B have been admitted to trading on a stock exchange, a request for conversion may only be submitted during the periods 1st - 7th January, 1st - 7th April, 1st -7th July and 1st -7th October each year. The request for conversion may not refer to less than 100,000 shares. The Board of Directors may resolve on exemptions from the conditions for conversation regarding the period during which a request for conversion

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
Board of Directors 47
Leadership Team 48
Internal Control and Risk Management 49
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

shall be submitted and the minimum number of shares that the request shall refer to. The conversion shall upon a valid request pursuant to this clause without delay be reported to the Swedish Companies Registration Office for registration and will be deemed to have been affected as soon as the registration is completed, and it has been noted in the central securities depository register.

As of 31st December 2023, the issued share capital of the Company amounted to € 159,249,358 divided into 159,249,358 shares of series A with a nominal value of € 1.00 and ten voting rights per share. All shares have the same ISIN and are all admitted to trading. Due to the dual-listing in Sweden and Germany, a portion of shares are registered via Clearstream Frankfurt (for the German listing), the price of which is quoted in Euro, while another portion are registered via Euroclear Sweden AB ("Euroclear", for the Swedish listing), the price of which is quoted in Swedish Krona. The shares are freely tradable between Germany and Sweden.

Based on the information available to the Company, the Company's largest shareholder as of 31st December 2023 was Bodhivas GmbH ("Bodhivas"), which is a company indirectly majority controlled by Remco Westermann, who is also a member of the Board of Directors and CEO of MGI and held 27.7% of the Company's issued shares. Accordingly, the interest of the CEO is in line with those of all shareholders. Furthermore, based on the information available to the Company, as of 31st December 2023, Oaktree Capital Management held 17.66% of the Company's issued shares. As of 31st December 2023, the Company's ten largest investors (as far as they are known based on the information from Euroclear as well as other sources) held approximately 59.55% of the Company's shares in the aggregate. The entire board and the C-level hold a total of 29,6% of the shares and a total of 7,250,000 ESOP as of 31st December 2023. Based on the information available as of 31st December 2023, the Company is aware of a group of shareholders (acting in concert) holding 8.4% of the shares and votes and consisting of: Trend Finanzanalysen GmbH, Smile Autovermietung GmbH, T.E.L.L. Verwaltungs GmbH, Dawn Fitzpatrick, Sebastian Krüper, Anthony Gordon, and other private shareholders, and thus forms the third largest shareholder in accordance with the definition of the principles and instructions of the Nomination Committee confirmed at the Extraordinary General Meeting of 1st November 2022.

To the best of the Company's knowledge, there was no shareholder other than Remco Westermann and Oaktree Capital Management who directly or indirectly held more than 10% of the shares as of 31st December 2023.

In a planned action following the completed relocation of the Company's registered office from the Maltese to the Swedish jurisdiction the Company carried out a directed issue of 18,199,990 warrants to cover existing obligations. This issue was established to fit within the now relevant Swedish legislation and regulations in order to transfer already existing obligations relating to the ongoing Employee Stock Ownership Plan (ESOP), to strengthen employee retention (15,000,000 warrants), as well as to a potential share-based settlement of a Deferred Payment and Earn-out Payment related to the acquisition of Dataseat, in July 2022 (3,199,990 warrants). The issuance of these warrants was based on the authorization of the Board granted by the shareholders at the Extraordinary General Meeting on 1st November 2022 when all major MGI shareholder decisions with regards to the relocation to Sweden were finalized.

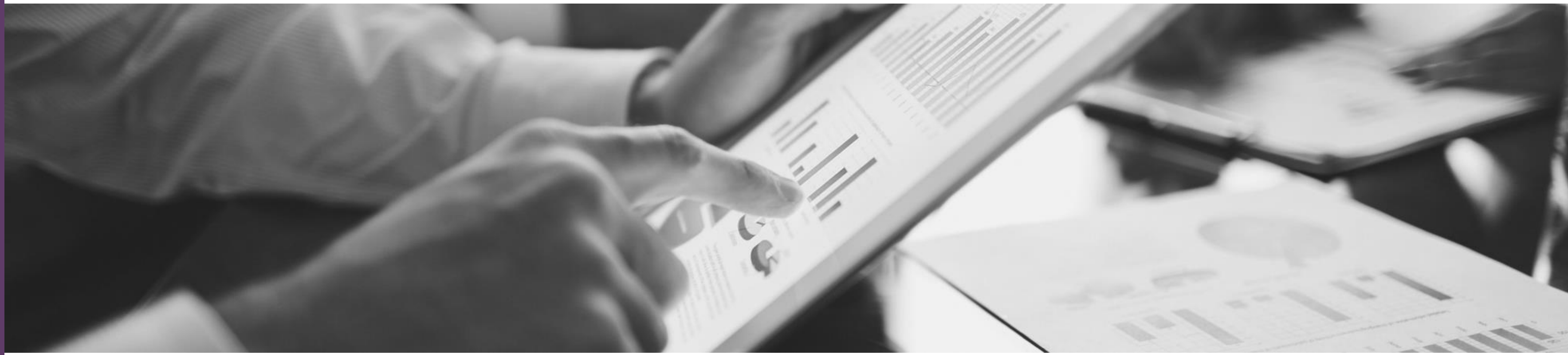
The 15,000,000 warrants for the ESOP program replaced the former option which was granted to Bodhivas GmbH to enable the same

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
Board of Directors 47
Leadership Team 48
Internal Control and Risk Management 49
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

ESOP for MGI Group employees when MGI was still registered in Malta.

The AGM on 30th June 2023 adopted the following proposed resolution authorizing the Board of Directors to issue shares, warrants and convertibles of the Company: "The Board of Directors proposes that the annual general meeting resolves to authorize the Board of Directors to, at one or several occasions and for the time period until the next annual general meeting, issue shares, warrants and convertibles within the limits of the Company's articles of association. The authorization shall be limited so that the Board of Directors may not resolve upon issues of shares, warrants and convertibles that entail that the total number of shares that are issued, issued through conversion of convertibles, or issued through exercise of warrants exceeds 35 per cent of the total number of shares in the Company at the time the Board of Directors exercises the authorization for the first time. Issues of shares, warrants and convertibles may be made with or without deviation from the shareholders' preferential rights and with or without provisions for payment in kind, set-off or other conditions. The purpose of the authorization and the possibility to deviate from the shareholders' preferential rights shall be to finance acquisitions, raise capital to facilitate growth and development of the Company or to hedge, facilitate or settle the Company's incentive programs. The Board of Directors, the CEO or such person as the Board of Directors authorize, shall be authorized to make such minor amendments and clarifications of the annual general meeting's decision that is required in connection with the registration of this authorization with the Swedish Companies Registration Office. A resolution in accordance with this item 12 is only valid when supported by shareholders holding not less than two-thirds of both the votes cast and the shares represented at the annual general meeting.

- Further information about the Company's shares and ownership can be found on MGI's website www.mgi-se.com.



Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
Board of Directors 47
Leadership Team 48
Internal Control and Risk Management 49
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

General Meeting

The shareholders in a general meeting (the "Shareholders") can resolve and exercise their influence over the Company.

Subject to the provisions of the Companies Act and in accordance with Article 10 - 12 of the Company's Articles of Association, notices convening a general meeting shall be announced in the Swedish Official Gazette (Sw. Post- och Inrikes Tidningar) and on the Company's website. At the same time, it shall be announced in Dagens Industri that a notice to a general meeting has been made. Notices convening an annual general meeting and notices convening an extraordinary general meeting in which amendment in the articles of association is proposed shall be announced not earlier than six weeks (6) and not later than four (4) weeks before the meeting. Notices to other general meetings shall be announced not earlier than six (6) and not later than two (2) weeks before the meeting.

Right to Attend

A shareholder may only participate in the general meeting if the shareholder notifies the Company on the day specified in the notice to the general meeting, at the latest. The latter day may not be a Saturday, Sunday or a public holiday and may not occur earlier than five business days before the general meeting. Shareholders may be accompanied at a general meeting by a maximum of two assistants, but only if the shareholder notifies the Company of the number of assistants in the manner stated in the preceding paragraph. The Board of Directors may collect power of attorneys in accordance with chapter 7 section 4 paragraph 2 in the Swedish companies act (2005:551). The Board of Directors may resolve that shareholders shall be able to exercise their voting rights before general meetings in accordance.

Shareholder Initiatives

Shareholders who wish to have a matter added to the agenda of a general meeting must submit a written request to the Board of Directors. The request must have been received by the Board not later than seven weeks before the general shareholder meeting, or in due time for the matter to be included in the notice to attend the general meeting.

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
Board of Directors 47
Leadership Team 48
Internal Control and Risk Management 49
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Annual General Meeting 2023

MGI held its Annual General Meeting for 2023 on 30th June 2023 and resolved on the following agenda topics:

- It was resolved to adopt the income statement and the balance sheet as well as the consolidated income statement and the consolidated balance sheet for the financial year 2022.
- It was resolved, in accordance with the Board of Directors' proposal and in accordance with the proposal included in the annual report, that no dividend is paid for the financial year 2022 and that the residue of this result shall be carried forward.
- It was resolved to discharge each of the members of the board and the CEO from liability for the financial year 2022. It was noted that the members of the board and the CEO did not participate in the resolution regarding their own discharge.
- It was resolved that Board fees shall be paid with an unchanged amount of € 50,000 to each board member that is not employed by the Company and € 100,000 to the Chairman of the Board. It was resolved, in addition, that a total fee of € 25,000 shall be allotted to the Chairman of the Audit Committee as well as to the Chairman of the Remuneration Committee. This means that the fees amount to, in total, € 350,000. It was further resolved, in accordance with the Nomination Committee`s proposal, that fees to the auditor shall be paid in accordance with approved invoice.
- It was resolved, in accordance with the Nomination Committee's proposal, that the Board of Directors shall comprise six directors.
- It was further resolved, in accordance with the Nomination Committee's proposal, the Company shall have one auditor.
- It was resolved, in accordance with the Nomination Committee's proposal, to re-elect Elizabeth Para, Mary Ann Halford, Remco Westermann, Franca Ruhwedel and Johan Roslund as members of the Board of Directors as well as to re-elect Tobias M. Weitzel as Chairman of the board for the period until the close of the annual general meeting 2024. It was further resolved to re-elect Deloitte Sweden AB as the Company's auditor for the period until the close of the annual general meeting 2024. Deloitte Sweden AB has informed the Nomination Committee that the auditor Christian Lundin will continue as auditor-in-charge.
- It was resolved, in accordance with the Nomination Committee's proposal, to adopt, until further notice, the same principles and instructions that were adopted at the extraordinary general meeting on 1st November 2022.
- It was resolved, in accordance with the Board of Directors' proposal, to authorize the Board of Directors to resolve on issuance of shares, warrants and convertibles. It was noted that the required majority was reached since the resolution was supported by shareholders holding not less than two-thirds of both the votes cast and the shares represented at the annual general meeting.

A total of 88,043,239 shares were present at the Annual General Meeting corresponding to 55,3% of total shares issued.

For more information on the resolution items, please see the minutes of the meeting under the following link: https://mgi-se.com/wp-content/uploads/2023/07/MGI-AGM-2023-AGM-minutes.pdf

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
Board of Directors 47
Leadership Team 48
Internal Control and Risk Management 49
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Nomination Committee

In accordance with the resolution of the Annual General Meeting on 30th June 2023, the Nomination Committee shall prior to an annual general meeting be composed of (i) representatives of the three largest shareholders (including any group of shareholders who act in concert in the governance of the Company, and references to shareholders below shall cover such groups of shareholders as applicable) of the Company in terms of voting rights, who are registered in the share register maintained by Euroclear Sweden AB, or when applicable, other central securities depositories or other evidence of such shareholding which is acceptable to the Company, as of the last trading day in August each year and (ii) the Chairman of the Board of Directors, who shall also convene the Nomination Committee to its first meeting. If the Chairman of the Board of Directors is the CEO or another member of the Company's management, he or she may not be a part of the Nomination Committee. In such cases, another director shall replace the Chairman of the Board of Directors in the Nomination Committee. The Nomination Committee for the 2024 Annual General Meeting consists of the following members:

- Tobias M. Weitzel, Chairman of the Board.
- Hermann Dambach, appointed by Oaktree Capital Management.
- Dr. Gabriel Recnik, appointed by Bodhivas GmbH.
- Anthony Gordon, appointed by and representing a group of shareholders acting in concert who are jointly the third largest shareholder by voting rights.

The members of the Nomination Committee are to promote the common interests of all the shareholders of the Company and are not to reveal the content or details of any discussion held during the Nomination Committee meetings unduly. Each member of the Nomination Committee is to consider carefully whether there are any conflicts of interest or other circumstances that make their service on the Nomination Committee inappropriate before accepting the assignment to form part of the Nomination Committee.

The Nomination Committee shall fulfil the tasks set out in the Code and shall, when applicable, present proposals to an upcoming general meeting for:

- the election of the Chairman of the meeting;
- the number of Directors elected by the general meeting;
- the election of the Chairman and Members of the Board of Directors;
- the fees and other remuneration of elected Members of the Board of Directors and of the Members of the Committees of the Board of Directors;
- the election of the auditor(s);
- the remuneration of the auditor(s); and
- principles for the composition of the Nomination Committee including any changes to the instructions to the Nomination Committee.

The composition of the Nomination Committee meets the Code's requirements for independent members.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
Board of Directors 47
Leadership Team 48
Internal Control and Risk Management 49
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Board of Directors

The directors shall exercise their powers subject to the regulations of Company's articles of association and applicable rules and regulations (including the Swedish Companies Act, the Swedish Annual Accounts Act, the Company's articles of association, the Swedish Corporate Governance Code, Nasdaq First North Growth Market – Rulebook 1st September 2019 (the "Nasdaq Rulebook") and the Scale segment of the Frankfurt Stock Exchange (the "Frankfurt Scale Rulebook"), as well as the rules of procedure for the Board of Directors of Media and Games Invest SE. The Board is to manage the Company's affairs in the best interests of the Company and all shareholders. The Board is to ensure that the Company's organization is structured in such a manner that the accounting, management and the Company's finances in general are controlled in a satisfactory manner. The Board appoints the CEO. Remuneration to the Board of Directors is proposed by the Nomination Committee and resolved by the AGM. Information on remuneration for the Board of Directors and the Committee members is shown in the table in note 38 in the annual report.

Composition of the Board

In accordance with the Company's Articles of Association, the Board of Directors shall, in addition to any directors who may lawfully be appointed by another body than the general meeting, comprise three-to-six directors. A Board member may be elected for a period until the end of the first, second, third or fourth annual general meeting occurring the year after the election of the Board member.

The Board of Directors is appointed by the General Meeting. The Nomination Committee of MGI has the task of submitting appropriate proposals regarding the Board of Directors to the General Meeting.

The Nomination Committee shall apply item 4.1 in the Code regarding the diversity policy, whereby the Nomination Committee shall consider that the Board of Directors, with regard to the Company's operations, development stage and other conditions, shall have an appropriate composition, characterized by versatility in respect to the competence, experience, geographic coverage and background of the members elected a general meeting. Furthermore, the Nomination Committee shall work with the goal of achieving an even gender distribution on the Board of Directors.

The AGM on 30th June 2023 reelected Tobias M. Weitzel, Elizabeth Para, Franca Ruhwedel, Johan Roslund, Mary Ann Halford and, Remco Westermann. All Board Members are elected for the period until the next Annual General Meeting, which complies with the Code under point 4.7, that provides that "Members of the board are to be appointed for a period extending no longer than to the end of the next annual general meeting." For more information on the individual board member, please refer to the director's section on page 47. Tobias M. Weitzel was appointed Chairman of the Board of Directors. According to point 6.3 of the code, the chair is to ensure that the work of the board is conducted efficiently and that the board fulfils its obligations. In particular, the chair is to (i) organize and lead the work of the board to create the best possible conditions for the board's activities, (ii) ensure that new board members receive the necessary introductory training, as well as any other training that the chair and member agree is appropriate, (iii) ensure that the board regularly updates and develops its knowledge of the Company, (iv) be responsible for contacts with the shareholders regarding ownership issues and communicate shareholders' views to the board, (v) ensure that the board receives sufficient information and documentation to enable it to conduct its work, (vi) in consultation

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
BOARD OF DIRECTORS 47
LEADERSHIP TEAM 48
INTERNAL CONTROL AND RISK MANAGEMENT 49
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

with the chief executive officer, draw up proposed agendas for the board's meetings, (vii) verify that the board's decisions are implemented, and (viii) ensure that the work of the board is evaluated annually.

In the composition and size of MGI's Board of Directors, the need for diversity and breadth as well as skills and background has been considered, as well as the ability to manage the Company's affairs efficiently and with integrity.

Remco Westermann is CEO and Board member of MGI and is the only board member who is also part of the executive management, thus MGI complies with the requirements of the Code regarding the separation of board and executive management.

Board Type

	Number of members
Executive Directors	1
Independent directors	5
Other non-executive directors	0
Total board size	6

We follow the One-Tier System

Board Average Tenure

Name	Tenure of board member	Industry experience
Tobias M. Weitzel	6 (since 2018)	Yes
Mary Ann Halford	2 (since 2022)	Yes
Elisabeth Para	4 (since 2020)	Yes
Johan Roslund	2 (since 2022)	Yes
Franca Ruhwedel	2 (since 2022)	Yes
Remco Westermann	6 (since 2018)	Yes

Average tenure of board members = 3.66

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
Board of Directors 47
Leadership Team 48
Internal Control and Risk Management 49
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Independence

According to the Code, the majority of directors elected by the shareholders' meeting are to be independent of the Company and its executive management and at least two of the members of the Board who are independent of the Company and its executive management are also to be independent in relation to the Company's major shareholders.

According to the definition in the Code, all board members except for Remco Westermann are independent to the Company and the executive management as well as in relation to major shareholders.

Board Work

The Board of Directors adopts written rules of procedure for its work as well as instructions for the Chairman of the Board of Directors and for the Committees, financial reporting guidelines for the CEO and CFO, internal control framework and other instructions, guidelines and policies that are adopted annually at the constituent meeting after the Annual General Meeting. The Rules of Procedure define how work is divided between the Board of Directors, its Committees, and the CEO. In 2023, the Board of Directors held 29 board meetings, of which 14 were by written resolutions. All meetings held followed an agenda provided to the board members prior to the meeting, along with relevant documentation for each agenda item. The CEO, and in most meetings the CFO attended the board meetings, unless it concerned issues where there could be a conflict of interest or where the board convenes without the executive management. The CEO reports on operational performance at each regular board meeting and the CFO reports on financial performance at regular intervals. In addition, the CFO, senior executives and, if necessary, the Company's auditors make presentations on various specialized topics. Among other things, board meetings were held in advance of capital market transactions, before the publication of quarterly as well as annual financial statements and before general meetings.

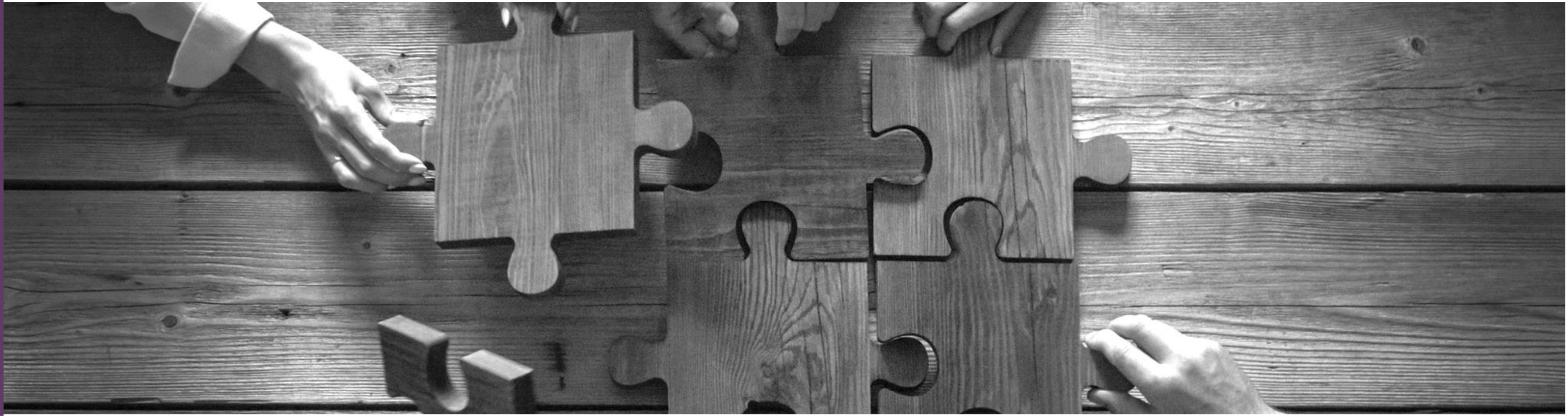
The work of the Board of Directors is evaluated annually with the aim of both developing the board's activities as well as its composition considering the development of the Company. In conjunction with the board evaluation, an evaluation of the CEO is also conducted. The last evaluation took place in November 2023, with members completing an anonymized questionnaire. The results, which were also anonymized, were presented to the Board of Directors at an ordinary Board meeting.

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
Board of Directors 47
Leadership Team 48
Internal Control and Risk Management 49
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Attendance Board Meetings

Name	Attendance Board Member / Meetings 2023
Tobias M. Weitzel	29/29
Mary Ann Halford	28/29
Elizabeth Para	28/29
Johan Roslund	27/29
Franca Ruhwedel	28/29
Remco Westermann	27/29



INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
Board of Directors 47
Leadership Team 48
Internal Control and Risk Management 49
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Board Committees

Remuneration Committee

The Remuneration Committee consists of Mary Ann Halford (Chair), Johan Roslund and Tobias M. Weitzel. The Remuneration Committee has the responsibilities and authority that follows from the Swedish Companies Act and the Code.

The duties of the Remuneration Committee are defined in annually adopted instructions and include amongst others, (a) prepare the Board of Directors' decisions on issues concerning principles for remuneration, remunerations, and other terms of employment for the executive management, (b) monitor and evaluate programs for variable remuneration, or (c) monitor and evaluate the current remuneration structures and levels in the Company.

After the 2023 Annual General Meeting, the Remuneration Committee was reconvened at the constituent meeting of the Board of Directors for the period until the constituent meeting of the Board of Directors after the 2024 Annual General Meeting. Fivemeetings of the Remuneration Committee were held during the reporting period. All members of the Committee attended all meetings.

Audit Committee

The Audit Committee consists of Franca Ruhwedel (Chair), Tobias M. Weitzel and Elizabeth Para. The Audit Committee has the responsibilities and authority that follows from the Swedish Companies Act and the Code.

The duties of the Audit Committee are defined in annually adopted instructions and include amongst others, (a) monitor the Company's financial reporting and provide recommendations and proposals to ensure the reliability of the reporting, (b) in respect of the financial reporting, monitor the efficiency of the Company's internal controls, internal audits, and risk management, or (c) review the Company's accounting principles and its process for financial reporting as well as make recommendations on appropriate changes in order to ensure the reliability of the financial reporting as well as the internal control system, the risk management system and the internal audit.

After the 2023 Annual General Meeting, the Audit Committee was reconvened at the constituent meeting of the Board of Directors for the period until the constituent meeting of the Board of Directors after the 2024 Annual General Meeting. Five meetings of the Audit Committee were held during the reporting period. Between the regular meetings, the chair of the Audit Committee is in regular contact with the CFO as well as with the auditor. All members of the Committee attended all meetings.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
Board of Directors 47
Leadership Team 48
Internal Control and Risk Management 49
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Auditor

The Annual General Meeting 2023 has resolved, in accordance with the Nomination Committee's proposal that the Company shall have one auditor and that the fees to the auditor shall be paid in accordance with approved invoices.

The Annual General Meeting 2023 re-appointed Deloitte Sweden AB as auditors of the Company for the period until the close of the Annual General Meeting 2024. Deloitte Sweden AB has informed the Nomination Committee that the auditor Christian Lundin will continue as auditor-in-charge and to authorize the Board of Directors to fix their remuneration. The principal in charge is Christian Lundin.

The auditor has the task of auditing MGI's annual report and reporting to the shareholders on whether the financial statements provide a true and fair view, according to IFRS as adopted by the EU and the requirements according to the Annual Accounts Act. In addition, all M&A-related purchase price allocations and the impairment tests for all intangible assets are performed by Ernst & Young.

INTRODUCTION 3

BOARD OF DIRECTORS REPORT 21

CORPORATE GOVERNANCE REPORT 33

Board of Directors 47

Leadership Team 48

Internal Control and Risk Management 49

SUSTAINABILITY REPORT 64

FINANCIAL STATEMENTS 124

AUDITOR'S REPORT 207

DEFINITIONS 213

Board of Directors

The directors who served during the period under review until the approval of the financial statements were as follows:

Tobias M. Weitzel

Chairman of the Board (2022)
Board Member (2018)

Born: 1973

Nationality: German

Independence: Independent in relation to the Company, Company management and major shareholders.

Holdings: 1,209,228 A-shares and 500.000 ESOP

Committee Work: Member of the Audit and Remuneration Committee

Current positions: Member of the executive board of CREDION AG, CREDION Kapitalverwaltungsgesellschaft, CREDION Komplementärgesellschaft and AfricaConnect GmbH. CEO of BSK GmbH

Mary Ann Halford

Board Member (2022)

Born: 1958

Nationality: United States of America

Independence: Independent in relation to the Company, Company management and major shareholders.

Holdings: None

Committee Work: Chair of the Remuneration Committee

Current positions: Principal at Halford Media Advisory, Director at Cineverse, Director Eightco Holdings

Elizabeth Para

Board Member (2020)

Born: 1972

Nationality: British and Canadian

Independence: Independent in relation to the Company, Company management and major shareholders.

Holdings: 1,505,716 A-shares and 500.000 ESOP

Committee Work: Member of the Audit Committee

Current positions: None

Johan Roslund

Board Member (2022)

Born: 1987

Nationality: Sweden

Independence: Independent in relation to the Company, Company management and major shareholders.

Holdings: 4,900 A-shares

Committee Work: Member of the Remuneration Committee

Current positions: Chairman of the Board of Nordic Asia Investment Group

Franca Ruhwedel

Board Member (2022)

Born: 1973

Nationality: German

Independence: Independent in relation to the Company, Company management and major shareholders.

Holdings: 4,625 A-shares

Committee Work: Chair of the Audit Committee

Current positions: Professor for Finance and Accounting at Rhine-Waal University, Member of the Supervisory Board/ Chairperson of the Audit Committee, and the Related Party Committee at thyssenkrupp nucera, Member of the Supervisory Board/Chairperson of the Audit Committee of United Internet AG, Member of the Supervisory Board/ Member of the Audit Committee of National-Bank AG

Remco Westermann

CEO and Board Member (2018)

Born: 1963

Nationality: Dutch

Independence: Dependent in relation to the Company, Company management and major shareholders.

Holdings: Remco Westermann personally holds 90% of the shares and 100% of the voting rights in Sarasvati GmbH, which in turn holds 100% of the shares and voting rights in Bodhivas GmbH, which in turn holds 27.7% (44,071,587) of the shares and voting rights in MGI.

Committee Work: None

Current positions: Managing Director of Jarimovas GmbH, Bodhivas GmbH, Bodhisattva GmbH, Sarasvati GmbH and Garusadana GmbH

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
Board of Directors 47
Leadership Team 48
Internal Control and Risk Management 49
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Leadership Team

MGI's CEO and Group Executive Management is responsible for the management of the entire MGI Group and reports to the Board of Directors. MGI's CEO and Group Executive Management includes Remco Westermann (CEO), Paul Echt (CFO), Jens Knauber (COO) and Sameer Sondhi (CRO).

Remco Westermann

CEO & Board Member of MGI

Born: 1963

Managing Director of Jarimovas GmbH, Bodhivas GmbH, Bodhisattva GmbH, Sarasvati GmbH and Garusadana GmbH.

Holdings in MGI: 44,071,587 A-Shares

Paul Echt

CFO of MGI

Born: 1990

Finance Manager with 10+ years of experience from the tech and finance industry. Previous positions at UniCreditBank in Berlin, Munich and New York as well as Shopgate Inc. in San Francisco.

Holdings in MGI: 328,679 A-Shares and 2,250,000 ESOP

Sameer Sondhi

CRO of MGI

Born: 1974

20+ years of experience in the mobile industry working with operators and media companies. Held executive positions at InMobi, Opera Media, GroundTruth, Infospace, and LiveWire.

Holdings in MGI: 900,000 ESOP

Jens Knauber

COO of MGI

Born: 1980

10+ years of experience as manager in the games industry – over 300 published games. Held a series of leadership positions at Hamburg publisher dtp.

Holdings in MGI: 15,000 A-Shares and 3,100,000 ESOP

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
Board of Directors 47
Leadership Team 48
Internal Control and Risk Management 49
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Internal Control and Risk Management

The Board of Directors is responsible for ensuring that the Company has sufficient and effective internal control systems in place to protect the Company's assets as well as the shareholders' investment. The Executive Management is responsible for establishing a risk management and internal control system to achieve strategic and operational objectives and protect the Company's assets and shareholders' investment. MGI operates under a Risk, Compliance, and Internal Control (RCIC) Framework, which describes the approach and the responsibilities of MGI employees, management, and the Board of Directors together with actions related to risk management, compliance, and internal controls. The RCIC Framework enables MGI to successfully grow the business by helping identify potential events that may affect the Company, manage the associated risks and opportunities, and helps support the achievement of the Company's vision. The Compliance Management System (CoMS), the Internal Control System (ICS) and the Strategic and Operational Risk Management (SORM) are established to support in fulfilling this responsibility. In addition, an ESG operating model has been implemented to ensure that expectations and targets in the areas of environmental, social and governance (ESG) are met.

MGI follows the COSO framework for internal control and complies with the rules for companies listed on Nasdaq First North Premier Growth Market, Nasdaq Stockholm (for bonds) and the Scale Segment of Deutsche Börse, as well as the Swedish Companies Act and the Swedish Corporate Governance Code. In 2023, MGI has further optimized the Internal Control System by fine-tuning the accuracy and precision of our business processes and internal controls, also taking the opportunity to harmonize them across various subsidiaries whenever possible.

The main purpose of the Internal Control System (ICS) is to provide reasonable assurance over the reliability of financial statements and of controls related to financial reporting and disclosures, as required by regulators and the Company's policies. The ICS mandates MGI to put in place procedures and policies to record transactions fairly and accurately, and to prevent or detect material misstatements and unauthorized use of MGI's assets.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
Board of Directors 47
Leadership Team 48
Internal Control and Risk Management 49
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Control Environment

Management is responsible to set the tone at the top and to establish standards of conduct for all employees of the Company. The MGI Code of Conduct describes the set of behaviors and shared values that all managers, employees, and contract workers are expected to follow at all times. Guided by MGI's mission "Let's Make Media Better" and the MGI Code of Conduct, Executive Management ("C-level") establishes overarching strategic goals and sets financial targets. These goals are cascaded to our business segments worldwide to ensure alignment across the Company. Designated senior management is accountable for meeting these goals and objectives.

To create and maintain a functioning control environment, the Board of Directors adopted a number of steering documents and policies, including rules of procedure for the Board of Directors, the Board Committees and executive management. Policies and procedures are in place that require incidents of non-compliance, adverse events, control failures or critical unmitigated risks to be escalated to Management and, if appropriate, to the proper authorities in a timely manner. A Whistleblowing Tool is available to any employee to report information that might represent an actual or potential violation of law or MGI's Code of Conduct, including questionable accounting and disclosure practices, with outmost confidentiality and without fear of retaliation. Other policies include a tax policy, finance risk policy, insider information policy, and sanctions policy.

Risk Assessment and Control Activities

MGI's operations are subject to numerous risks that are regularly reviewed and evaluated by the Board of Directors. A table with the main risks, including a description of the main risks and the mitigation measures can be found on page 52 of the Board of Directors Report. A more detailed description of the financial risks can be found in the Note 17 on page 180 of the Annual Report. A more detailed description of our ESG-related risks can be found in the Sustainability Report from page 67 of the Annual Report.

In analyzing and assessing risks, the Company divides risks into categories (Finance, Legal Compliance, Operational and Strategic) and business areas (Corporate, Game, Media) and assigns an owner from Group Executive Management to each risk. The current risk exposure is evaluated on the basis of probability of occurrence and impact and compared with the target risk exposure according to the Company's risk appetite. In a further step, mitigation measures are defined. A heat map was developed to visualize the risk situation and is updated at regular intervals.

In addition to the year-end report, interim reports and annual report, the Board of Directors reviews and evaluates extensive financial data regarding MGI. The Board of Directors also processes information on risk assessments, disputes and any irregularities that may have an impact on MGI's financial position. The Board of Directors also reviews the most significant accounting principles applied in the Company regarding financial reporting and material changes in accounting principles as well as reports on internal control and the processes for financial reporting.

Information & Communication

Internal Information and communication channels are in place so that management and employees are aware of their responsibility for risks, compliance activities and internal controls in their teams. All employees have access to the MGI's RCIC Portal to read relevant

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
Board of Directors 47
Leadership Team 48
Internal Control and Risk Management 49
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

documents such as the Code of Conduct, Company policies, procedures and guidelines, ICS, RCM - risk and control matrices, process flowcharts, CoMS articles, ESG targets, etc. In addition, news, information, projects, and activities related to risk, compliance and internal controls are shared through Company newsletters, All-Hands Meetings and Townhalls.

Formal and informal training sessions are conducted with relevant employees. For specific risk areas, mandatory training is conducted regularly. Information is provided to new hires and employees transferring to other functions on key processes, risks, and controls relevant to their role.

The Whistleblowing Tool offers all employees a mechanism for anonymous reporting, where local law permits, potential violations of laws, regulations, or policies, or to raise concerns about ethical behavior, safety, or security.

Risk management functions meet regularly with the Board of Directors and Executive Management to ensure risk visibility, ownership, and status of action plans, controls, and mitigation.

The Company adheres to its Information and Insider Policy, as established by the Board of Directors, aligning with market standards. This policy sets out communication protocols to ensure the accuracy, compliance, and comprehensiveness of both external and internal information. The Head of Investor Relations (IR) oversees the implementation of this policy throughout the Company. Investor Relations is managed and supervised by the CEO and the Head of IR who reports to the CEO. Another task of the Head of IR is to support the CEO and senior executives in terms of communication with the capital markets. The Head of IR also works together with the CEO and CFO on the preparation of the annual financial statements, annual general meetings, capital market presentations and capital market days and other regular reports on IR activities. An Ad-Hoc Committee has been established, consisting of the Chairman, the CEO, the CFO and the Head of IR, which meets on a regular basis, as well as at very short notice if an insider-relevant event occurs.

Internal Audit

The Company regularly evaluates the need for internal auditing based on Company-specific factors such as the scale, structure, diversity and complexity of the Company's operations, the number of employees, the Company's culture, and cost-benefit considerations as well as further ESG relevant topics. No formal internal audit was conducted during the reporting period. However, the Internal Controls team conducted testing of significant controls in material legal entities in 2023 to validate compliance and collaborated with Management to formulate action plans to mitigate control gaps or improve effectiveness of controls tested.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
Board of Directors 47
Leadership Team 48
Internal Control and Risk Management 49
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Operational Risks

Risk	Description	Mitigation
Overall demand for advertising in the Group's media business	The Group's business highly depends on the overall demand for advertising and on the economic success of the Group's current and potential publishers and advertisers. If advertisers reduce their spending on advertising, the Group's revenue and results of operations are affected. Many advertisers spend a higher amount of their advertising budgets in the fourth quarter of the calendar year due to increased holiday purchasing or for budget reasons. If advertisers reduce the amount of their advertising spending during the fourth quarter (or an earlier quarter), or if the amount of inventory available to advertisers during that period is reduced, this could have an adverse effect on the Group's revenue and operating results for that fiscal year. Economic downturns or instability in political or market conditions may cause advertisers to reduce their advertising budgets. Reductions in inventory would make the Group's solution less attractive to advertisers. Moreover, any negative changes in the treatment of advertising expenses and the deductibility of such expenses for tax purposes would likely cause a reduction in advertising demand. In addition, concerns over the sovereign debt situation in certain countries in the European Union, question marks over the speed of recovery of the US economy and concerns over China and Russia among others, as well as continued geopolitical turmoil in several parts of the world have and may continue to put pressure on global economic conditions, which could lead to reduced spending on advertising.	The Media subsidiaries use innovation to gain market share and to ideally grow in a shrinking market, as well as to diversify the customer base constantly by adding new industries both on the advertiser and publisher side. Focus will be on mobile and CTV, as these are the strongest growing digital ad-markets and are exposed to less demand risk compared with traditional channels.

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
BOARD OF DIRECTORS 47
LEADERSHIP TEAM 48
INTERNAL CONTROL AND RISK MANAGEMENT 49
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Risk	Description	Mitigation
Leading global technology companies may undermine the Group's revenue model in the media business	In many cases, the parties that control the development of mobile connected devices and operating systems include the Group's most significant competitors in the mobile advertising industry. For example, Apple controls two of the most popular mobile devices, the iPhone, and the iPad, as well as the iOS operating system that runs on them. Apple controls the app store for downloading apps that run on Apple's mobile devices and Google controls the Android operating system and Google Play. The Group depends on the interoperability of its products and services with popular devices, desktop and mobile operating systems and web browsers that it does not control, such as Android, iOS, Chrome, Internet Explorer, and Firefox. Any changes in such systems, devices or web browsers that degrade the functionality of the Group's products and services or give preferential treatment to competitive products or services could adversely affect usage of the Group's products and services. If the Group's mobile advertising platform were unable to work on these devices or operating systems, either because of technological constraints or because the maker of these devices or publisher of these operating systems wish to impair their competitors' ability to compete with them or such competitors' ability to fulfil advertising space, or inventory from developers whose apps are distributed through their control channels, the Group's ability to generate revenue could be significantly affected. Additionally, the Group's ad formats and/or revenue models (such as rewarded formats) might be affected, as, for example, Apple and Google could bar certain apps or clients from their apps store which are important to the Group and could give preference to their own products and services. Consequently, leading global technology companies such as Apple and Google have the power to undermine the revenue model of the Group. Further, if the number of platforms for which the Group develops its product expands, this can result in an increase in the Group's operating expenses. In order to deliver high-quality products and services, it is important that the Group's products and services work well with a range of operating systems, networks, devices, web browsers and standards that it does not control. In addition, because a majority of its users access the products and services through mobile devices, the Group depends on the interoperability of its products and services with mobile devices and operating systems. The Group may not be successful in developing relationships with key participants in the mobile industry or in developing products or services that operate effectively with these operating systems, networks, devices, web browsers and standards. In the event that it is difficult for the Group's users to access and use the products and services, particularly on their mobile devices, the user growth and engagement could be harmed, and the business and operating results could be adversely affected.	The Media subsidiaries are working on expanding usage of USPs (user services platforms) such as SaaS models and white label solutions, as well as on diversifying product offerings to create additional revenue streams by offering value added services, such as data, analytics, and transparency.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
BOARD OF DIRECTORS 47
LEADERSHIP TEAM 48
INTERNAL CONTROL AND RISK MANAGEMENT 49
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Risk	Description	Mitigation
Lack of long-term agreements with advertisers and publishers in the media business	The Group's contracts with advertisers and publishers generally do not provide for any minimum volumes or may be terminated on relatively short or no notice and without penalty. Advertisers' and publishers' needs and plans can change quickly, and advertisers or publishers may reduce volumes or terminate their arrangements with the Group for a variety of reasons, including financial issues or other changes in circumstances, new offerings by or strategic relationships with the Group's competitors, change in control, or declining general economic conditions. Technical issues could also cause a decline in spending. As a result, the Group has limited visibility as to its future advertising revenue streams. There is a risk that the Group's advertiser and publisher clients will not continue to use its services or that the Group will not be able to replace, in a timely or effective manner, departing clients with new clients that generate comparable revenue. In addition, the Group's agreements typically do not restrict the publishers from entering into agreements with other companies, including the Group's competitors. There is a risk that the partners with which the Group entered into an agreement will not continue to obtain services of the Group on commercially acceptable terms, or at all, after the term of the current agreement expires, or that they will terminate the existing services on short notice, which could lead to a slow down or a reduction in revenue and harm the Group's reputation.	The Media subsidiaries are working to move customers to more long-term-oriented SaaS services and exploring the possibility to offer rebates for minimum guarantees. In addition, to maintain competitiveness, processes are in place to deliver good traffic quality and transparency combined with good CPMs and CTRs.
Risk of recession and inflation due to significantly changed macroeconomic environment which could impact the media business	The outbreak and global spread of Covid-19 led to significant and severe impact on the world economy. It affected the markets where the Group operates and created significant volatility and disruption in financial markets. Governments across the world imposed a number of measures designed to contain the outbreak, including business closures, travel restrictions, quarantines and cancellations or restrictions of gatherings and events. Due to any spread increase of Covid-19 through the emergence of new variants or mutations, or any new viruses emerge resulting in a global pandemic, companies might be facing major challenges due to extensive political restrictions as well as changing consumer patterns. Due to such crises, economists rate the recession risk higher. There is also an increased risk of disruptions in the supply chains and higher inflation rates which may have an adverse impact of the markets on which the Group operate. Particularly for the media activities, such disruptions could lead to lower revenues. The Group has, for example, noticed an actual decrease of demand from customers operating in the travel and retail sectors in the recent Covid-19 pandemic. Issues related to a pandemic, recession, inflation, or similar events might negatively affect the business activities and the net assets, financial position, and results of operations of the Group.	The Group operates digital with a work-from-home policy where employees can ensure Company operations run smoothly even in a global pandemic. Also, revenues and income could be shifted to sectors that profit from a pandemic such as e-commerce, food delivery, online banks, and online games to offset the revenue loss from sectors like travel .and offline retail. In addition, the Group aims to expand to new customers and segments to mitigate potential revenue decreases from existing clients while keeping existing customers with lower volumes on board.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
Board of Directors 47
Leadership Team 48
Internal Control and Risk Management 49
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Risk	Description	Mitigation
Lack of control over information technology systems over services are provided in the media business	The Group's mobile platform and smartphone operating systems depend on the reliability of the network operators and carriers who maintain sophisticated and complex mobile networks, as well as the Group's ability to deliver ads on those networks at prices that enable the Group to realize a profit. Mobile networks have been subject to rapid growth and technological change, particularly in recent years. The Group does not control these networks. Mobile networks could fail for a variety of reasons, including new technology incompatibility, degradation of network performance under the strain of too many mobile consumers using the network, general failure from natural disaster or political or regulatory shut-down. Individuals and groups who develop and deploy viruses, worms and other malicious software programs could also attack mobile networks and the devices that run on those networks. Any actual or perceived security threat to mobile devices or any mobile network could lead existing and potential device users to reduce or refrain from mobile usage or reduce or refrain from responding to the services offered by the Group's advertising clients. If the network of a mobile operator should fail for any reason, the Group would not be able to effectively provide the Group's services to its clients through that mobile network. Mobile carriers may also increase restrictions on the amounts or types of data that can be transmitted over their networks or change their pricing plans. The Group currently generates revenue from its advertiser clients based on the type of ads the Group delivers, such as display ads, rich media ads or video ads. In some cases, the Group is paid by advertisers on a cost-per-thousand, or CPM, basis depending on the number of ads shown. In other cases, the Group is paid on a cost-per-click, or CPC, cost per install, or CPI, or cost-per-action, or CPA, basis depending on the action taken by the mobile device user. Different types of ads consume differing amounts of bandwidth and network capacity. If a network carrier were to restrict amounts of data that can be delivered on that carrier's network or change pricing plans, block ads on their networks, or otherwise control the kind of content that may be downloaded to a device that operates on the network, it could negatively affect the Group's pricing practices and inhibit the Group's ability to deliver targeted advertising to that carrier's users, both of which could impair the Group's ability to generate revenue.	The mobile carrier business in the EU and U.S. where the Group mainly operates is mature and advertising is an important source of income for those offering the apps in the app stores as well as for the operators, the mobile phone manufacturers and the companies that offer app stores. MGI maintains good relationships with these companies and will continuously monitor the development in this area and implement actions as necessary.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
BOARD OF DIRECTORS 47
LEADERSHIP TEAM 48
INTERNAL CONTROL AND RISK MANAGEMENT 49
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Risk	Description	Mitigation
Changes in market power among publishers, intermediaries, and advertisers in the Group's media business	The Group's operating subsidiaries provide technical solutions for app publishers to monetize and advertise their apps and generate revenues by matching the app publishers' ad inventory with demand from advertising companies targeting specific types of app users in particular geographies. The Group receives a portion of the payment which the advertisers are paying for placing ads into the apps of the publishers. The Group therefore focuses on maximizing their revenues after inventory acquisition costs on an absolute basis. The Group believes this focus fortifies a number of its competitive strengths, including continuous improvement of the Group's and adaptable technology platform. As part of this focus, the Group intends to continue to invest in building relationships directly with publishers, increasing access to leading advertising exchanges and enhancing the quality and liquidity scalable of its advertising inventory supply. This includes purchasing advertising inventory that may have a lower margin on an individual impression basis and may be less effective in generating clicks. In addition, the Group experiences and expects to continue to experience, increased competition for advertising inventory purchased on a programmatic basis. Changes in the ad value chain, where programmatic buying results in intermediaries such as the Group might become less important or where other new models emerge, may result in increased margin pressure for the Group. The Group's business will also suffer to the extent that the Group's publisher clients and advertiser clients purchase and sell mobile advertising directly from each other or through other companies that act as intermediaries between publishers and advertisers. For example, large owned and operated companies such as Twitter, Facebook, Google, and Yahoo, which have their own mobile advertising capabilities, may decide to sell third-party ad inventory which would have been sold by the Group's services otherwise. Therefore, margin pressure for the Group also results from the concentration of publishers, advertisers and/ or intermediaries along the value-chain as such shifting buying power across the industry. If publishers decide not to make advertising inventory available to the Group for any of these reasons, or decide to increase the price of inventory, then the Group's revenue could decline and the Group's cost of acquiring inventory could increase. If for any other reason there is a shift in the buying power among the app publishers, other intermediaries, and the advertisers respectively, this may negatively impact the Group's margins or even significantly impact the Group's ability to generate revenue and increase its costs of sale. Also, the changes regarding identifiers such as IDFA (Identity for Advertisers) of Apple and cookies, lead to structural changes. While big players are closing their eco-systems changing into so called "walled-gardens", tracking and targeting become more difficult and/or need to be based on other methods. Powers in this market will change as a result of these changes leading to more competition between the large players such as Apple, Google and Amazon, but also threatening the positions of smaller independent players, including the Group's media activities, who will need to rely more heavily on first party data, contextual data and other privacy conformed technologies and solutions.	MGI is working to establish direct relationships with publishers in order to pull more audience data. Processes are in place to develop and invest in contextual solutions that do not rely on identifiers. MGI aims to gain more first party data, especially from mobile devices, by investing into mobile games with a high user base. In addition, MGI is working on further developing USPs such as ATOM, SaaS solution and other services that could attract and bind publishers and advertisers more to its services.

Media and Games Invest SE

INTRODUCTION 3

BOARD OF DIRECTORS REPORT 21

CORPORATE GOVERNANCE REPORT 33

Board of Directors 47

Leadership Team 48

Internal Control and Risk Management 49

SUSTAINABILITY REPORT 64

FINANCIAL STATEMENTS 124

AUDITOR'S REPORT 207

DEFINITIONS 213

Risk	Description	Mitigation
Changing technologies and customer requirements	The markets for online, console and mobile games and the market for media and mobile advertising are rapidly changing business areas. They are characterized by rapidly changing technologies, new technologies (e.g. virtual reality, augmented reality, block chain and streaming), new hardware or network or software compatibility requirements, frequent introductions of improved or new online, console and mobile games and platform services as well as constantly changing and new customer requirements. The success of the Group (including the Games Subsidiaries) therefore depends crucially on, in ample time, identifying new trends and developments, constantly improving existing mobile advertising services and online, console and mobile games as well as platform services, including new games and platform services in the product range, the ability to extend the lifetime of its existing games, adapting to rapidly changing customer requirements and, in particular, attracting and retaining large numbers of paying users, publishers and developers for the platform services. In particular, the Group must be in a position to recognize changing customer wishes and requirements in good time and adapt the games and platform services offered accordingly at short notice and constantly improve, expand and update them with new features in such a way that both paying and non-paying users as well as publishers and developers find it attractive. The Group also depends on the availability of development partners and software developers, their quality, and their willingness to further optimize games and platform services in the long term. As the Games Subsidiaries currently focuses on licensing new games to be launched and a substantial part of the portfolio is licensed, the Group thus depends heavily on the availability and quality of external developer resources. As the Group also does the further development of games that already generate revenues in-house; it also depends on the availability of skilled developers. If the Group is not able to successfully introduce new technologies and/or games and platform services to the market in time or to further optimize the technologies, games and/or platform services already offered and publish successful updates, the competitive position and growth opportunities of the Group would be adversely affected. Moreover, the Group might not sufficiently meet the demands and/or expectations of the Group's customers in the different markets in which the Group operates. The consideration of regional or target group specific characteristics including the different languages represents an additional challenge with regard to the identification and implementation of trends. This requires the use of technical, human, and financial resources. Any delay or prevention of the introduction of improved or new technologies, games and/or platform services into the product offering or their lack or delayed market acceptance as well as any incorrect introduction of technologies could have a negative effect on the business activities, financial position, and results of operations of the Group.	For Media subsidiaries, MGI works continuously on new privacy-first solutions that do not rely on identifiers, such as ATOM and Contextual. In addition, MGI fosters industry collaboration to create frameworks, standards, and programs, as well as to accelerate change and innovation in the digital advertising industry and the technologies that enable its advancement. For Games subsidiaries, MGI focuses on various games platforms, including PC, console and mobile with long customer lifetimes. Permanent satisfaction surveys are in place for customers who are in contact with the customer support team.

Risk	Description	Mitigation
Risks relating to the public perception of, in particular, violent games and youth	The Games Subsidiaries operate in a market that is highly dependent on public perception. Violent crimes are regularly associated with the consumption of online, console and mobile games by the press and in the context of social discussion. The more violent crimes are associated with the use of online, console and mobile games, the greater the risk that the image of the games industry will change adversely. This can also be the result of public discourse on gambling or game addiction problems, for example with regard to lack of sleep or the ingestion of performance-enhancing substances, in connection with online, console and mobile games. Additionally, based on the development in China, where new rules restricting minors', online games were introduced in August 2021, a stronger self-regulation/regulation regarding youth could be expected or even enforced in China and/or in other jurisdictions. A negatively developing image of the games industry would mean that fewer and fewer customers are prepared to use the online, console and mobile games offered by the Games Subsidiaries and to purchase virtual goods in the process. This could also result in stricter regulation. Therefore, a negative development of the image of the games industry would have a detrimental effect on the Games Subsidiaries' and might negatively affect the business activities, the reputation and net assets of the Group and might even lead to laws preventing from certain game types or services.	Procedures are in place to verify Gamigo's games portfolio in terms of political correctness, and freedom from glorification of violence, drug use and sexual content. The majority of games belong to the fantasy and role play genre with no violent content or shooters being operated. A Youth Protection Officer monitors these procedures in the Games subsidiaries.

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
Board of Directors 47
Leadership Team 48
Internal Control and Risk Management 49
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
BOARD OF DIRECTORS 47
LEADERSHIP TEAM 48
INTERNAL CONTROL AND RISK MANAGEMENT 49
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Corporate and Financial Risks

Risk	Description	Mitigation
Financing, liquidity and credit risks	The Group finances its business activities using both debt and equity capital. Debt capital funding is always associated with the risk that it may not be possible to borrow the volume required at economically acceptable conditions or that attempts at refinancing using debt capital may fail totally or partially. The total interest-bearing debt of the Group as of 31st December 2023 amounted to € 416m. Internal factors (such as the credit rating assigned by the market on the basis of the group's earnings and financial situation or management's skill in dealing with existing and potential sources of debt funding) and external factors (such as the general interest rate levels on the market, the lending policies of banks and other sources of debt capital, or changes in the legal environment) both play a role. In addition, there is a risk that the refinancing interest level could move in an unfavorable direction and that the cost of financing could increase due to a rise in the interest rate. The Group is also subject to the general risk that extensions of existing liabilities, refinancing or acquisition financing may not be available to the desired extent or can only be obtained on economically unattractive terms, and that loan due dates may be brought forward, making it necessary to cash in securities under certain circumstances. The future unavailability of equity or debt on the scale required could weaken or render impossible the financing and growth of the Group.	The MGI Financial Risk Policy is in place that defines risk events and the appropriate mitigation actions to manage risks in relation to financing, liquidity and credit. Risk mitigation actions include diversifying debt maturities, using a mix of financial instruments, such as bank loans, RCFs, bonds and equity, hedging interest rates, and maintaining a strong cash balance. Further information on financial risk management can be found in Note 17.
Risk of impairment losses recognized in income due to impairment tests	The Group has on its balance sheet various assets, intangible assets, and goodwill, which as of 31st December 2023 amounted to € 796m. These assets, intangible assets and goodwill are generally subject to an impairment risk which must be tested as part of mandatory impairment tests. As of the date hereof, the value in use of the assets and goodwill concerned exceeds the carrying amounts. Should the value in use of the assets or goodwill fall below the book values, the amount of the book values would have to be adjusted accordingly in the balance sheet in accordance with the applicable accounting standard. Future assets and goodwill, due to acquisitions of companies or parts of companies, would also have to be corrected with an effect on expenses. Impairment of assets and goodwill due to adjustments to the value in use of the assets would have a negative impact on the Group's financial position.	Controls are in place to monitor the carrying amounts of goodwill semi-annually and obtain an assessment from a reputable independent expert at least once annually, following a conservative approach. i.e., recognize impairment instead of carrying forward. For business closures or divestments, impact on the P&L and balance sheet are calculated and reviewed prior to contract signing. Further information on financial risk management can be found in Note 17.

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
Board of Directors 47
Leadership Team 48
Internal Control and Risk Management 49
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Risk	Description	Mitigation
Tax-related risks	The Group conducts its business in accordance with its own (including the Group's advisors) interpretation of applicable tax regulations and applicable requirements and decisions. There is a risk that the Group's or its advisers' interpretation and the Group's application of laws, provisions, judicial practice has not been, or will in the future not be, correct or that such laws, provisions, and practice will be changed, potentially with retroactive effect. Such risk is increased, following the Company's relocation (see above under "Risks relating to the Company's change of jurisdiction"). If such an event should occur, the Group's tax liabilities can increase, which would have a negative effect on the Group's results and financial position. Revisions to tax regulations could for example comprise denied interest deductions, additional taxes on the direct or indirect sale of property and/or tax losses carried forward being forfeited. There is also the risk of tax increases and the introduction of additional taxes which would affect the Group's results and financial position in the future. In the event of a change in the tax legislations or the interpretation of existing tax laws, the business activities of the Group may be adversely affected.	The MGI Tax Policy is in place that defines the Group's approach to taxation risks and mitigation actions. MGI works with external tax advisors and ensures that tax declarations are filed correctly and timely, and that tax audits are managed properly. To the extent possible, MGI sets up taxation groups comprising several legal entities to offset income and losses within tax jurisdictions.
Acquisitions	The Group has historically grown both organically and through acquisitions and has made over 40 acquisitions since 2013, including games, media, and technology companies as well as individual assets. The media companies are part of the core strategy and provide B2B advertising services to third parties as well as to own Games subsidiaries. It is likely that the Group also in the future will perform further targeted acquisitions of companies or parts of companies for purposes of expanding its offerings and business activities. The acquisition of companies and shareholdings as well as the purchase of Company assets involves certain risks. There is a risk that the risks associated with an acquisition or asset purchase will arise or materialize at a later date, that were not identified or were misjudged during the previous audit or that are not covered by guarantees given. In such a case, the corresponding warranty period may already have expired or recourse to the seller may not be possible for other reasons. Issues relating to M&A of the Group might negatively affect the business activities, reputation, net assets, financial position, and results of operations of the Group.	MGI conducts in-depth due diligence for M&A deals across finance, commercials, technology, legal and other topics, by always using external as well as in-house industry experts. Any concrete material risks discovered during the M&A process are monitored constantly to ensure a claim could be made. Before warranty or guarantee periods expire, any issues are reviewed with Legal and operations. In addition, escrows or delayed purchase price payments are used to minimize potential risks.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
Board of Directors 47
Leadership Team 48
Internal Control and Risk Management 49
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

APPROVED BY THE BOARD OF DIRECTORS ON 18TH APRIL 2024 AND SIGNED ON ITS BEHALF BY:

TOBIAS M. WEITZEL	MARY ANN HALFORD	ELIZABETH PARA
CHAIRMAN OF THE BOARD	MEMBER OF THE BOARD	MEMBER OF THE BOARD
JOHAN ROSLUND	FRANCA RUHWEDEL	REMCO WESTERMANN
MEMBER OF THE BOARD	MEMBER OF THE BOARD	CEO AND MEMBER OF THE BOARD

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
BOARD OF DIRECTORS 47
LEADERSHIP TEAM 48
INTERNAL CONTROL AND RISK MANAGEMENT 49
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

AUDITOR'S REPORT ON THE CORPORATE GOVERNANCE STATEMENT

To the general meeting of the shareholders in MGI - Media and Games Invest SE
corporate identity number 517100-0143.

Engagement and responsibility

It is the board of directors who is responsible for the corporate governance statement for the financial year 2023-01-01 – 2023-12-31 on pages 33-61 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

Opinions

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Stockholm April 18 2024

Deloitte AB

Christian Lundin
Authorized Public Accountant

Media and Games Invest SE

SUSTAINABILITY REPORT

INTRODUCTION	**3**
BOARD OF DIRECTORS REPORT	**21**
CORPORATE GOVERNANCE REPORT	**33**
SUSTAINABILITY REPORT	**64**
Highlights from 2023	64
ESG Operating Model	67
Stakeholder Dialogue	71
Report on Progress	72
Employee Data	101
EU Taxonomy	106
GRI Content Index	119
Auditor´s report on the statutory sustainability report	123
FINANCIAL STATEMENTS	**124**
AUDITOR'S REPORT	**207**
DEFINITIONS	**213**

Media and Games Invest SE

INTRODUCTION 3

BOARD OF DIRECTORS REPORT 21

CORPORATE GOVERNANCE REPORT 33

SUSTAINABILITY REPORT 64

HIGHLIGHTS FROM 2023 64
ESG OPERATING MODEL 67
STAKEHOLDER DIALOGUE 71
REPORT ON PROGRESS 72
EMPLOYEE DATA 101
EU TAXONOMY 106
GRI CONTENT INDEX 119
AUDITOR´S REPORT ON THE STATUTORY SUSTAINABILITY REPORT 123

FINANCIAL STATEMENTS 124

AUDITOR'S REPORT 207

DEFINITIONS 213

SUSTAINABILITY REPORT

Highlights from 2023

Cedara

New Carbon Partner

MGI has mandated Cedara as new carbon tracking partner. Cedara specializes in AdTech companies, and they will monitor and report our emissions during the next years.

edenprojects.org
PLANT TREES | SAVE LIVES

Continued Support

We continue to support the Eden Reforestation Project with donations

Gender balance

Improved gender balance, especially in our new hires
(35.0% female/64.9% male/0.1% diverse).

Tech Cares 2023

2023 Tech Cares Award From TrustRadius

Our ad software platform was honored with a Tech Cares Award from TrustRadius for its **ability to create a more efficient and privacy-friendly way to buy and monetize advertising.**

Deloitte.

Relocation of seat to Sweden

Relocation of MGI to Sweden was completed om 2nd January. First full audit.

Internal control and compliance management system

After the improvement of our internal control and compliance management system over the last two years together with KPMG we will continue to optimize our established processes

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Basis Of Preparation of the Sustainability Report

MGI publishes its Annual Sustainability Report 2023 as part of the MGI Annual Report 2023. The reporting period covers FY 2023 (01.01.2023-31.12.2023). The Sustainability Report is part of the Annual Report including the Sustainability and the Governance Report was published on 18.04.2024.

This Sustainability Report has been prepared in accordance with Swedish legislation (Årsredovisningslagen) and follows the GRI framework. MGI - Media and Games Invest SE has reported in accordance with the GRI Standards for the period 01.01.2023 - 31.12.2023 and used GRI 1: Foundation 2021. An overview of the applicable GRI standards can be found in the GRI Content Index on pages 119-121. Information on the EU Taxonomy can be found on pages 106-118. Reports for the previous years can be found on the MGI website (www.mgi-se.com).

The sustainability report covers all activities that are covered and consolidated in the financial report, meaning that all activities under operational control and/or majority-owned are covered. The report covers environmental, social and business ethic related indicators. 100% of MGI revenues are covered by the sustainability disclosure.

Entities Included in The Organization's Sustainability Reporting

The entities included in this sustainability report are identical to those that are included in the Company's Annual Report including the audited consolidated financial statements. The full list of entities can be found in Note 2.4.2 on pages 136-138 of the Annual Report.

Mergers, acquisitions and disposals of entities or parts of entities are included in the sustainability report for the period they are part of the consolidated financial statements. Information about the acquisitions and disposals of entities including the date of the first / final consolidation can be found in Note 2.4.2 on page 136 of the Annual Report. Any adjustments are marked in the respective section.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
HIGHLIGHTS FROM 2023 64
ESG OPERATING MODEL 67
STAKEHOLDER DIALOGUE 71
REPORT ON PROGRESS 72
EMPLOYEE DATA 101
EU TAXONOMY 106
GRI CONTENT INDEX 119
AUDITOR´S REPORT ON THE STATUTORY SUSTAINABILITY REPORT 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Changes Compared to Previous Reports

To clearly distinguish between the Corporate Governance Report and the governance related topics covered in the Sustainability Report, we have decided to rename the Corporate Governance section in the Sustainability Report to "Ensuring Business Ethics and Compliance". Additionally, we have renamed our section "Diversity and Fair Play in Our Products and Services" to "Creating a Sustainable and Innovative Product Portfolio" and the chapter "Data Protection and Security" to "Providing Data Privacy and Security" as we feel this better describes what we are aiming at with these sections. The material topics that are covered in these sections have remained the same as in previous years. Other than that, there have been no changes to the list of material topics compared to the Sustainability Report 2022. Lastly, the section "A Great Team and an Inspiring Workplace" has been changed to "Being a Great time and an inspiring workplace", as it better reflects MGI's actions in this area.

Restatements of Information

This report is the third Sustainability Report of Media and Games Invest SE that follows the GRI standard. While most information on our impacts includes an update on how we manage our material topics, some information is restated as we deem it important to explain our processes. This applies for the chapters "Our Sustainability Governance" and "Interaction with Stakeholders". Other restatements of information are indicated by statements such as "as previously reported", "as reported in last year's report" and the like.

External Assurance

The third sustainability report of MGI that follows GRI Standard has been reviewed, but not audited by Deloitte.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

ESG Operating Model

Continuously managing sustainability risks needs to be part of MGI's sustainability activities to achieve long-term sustainable growth. As part of MGI's overall Risk, Compliance, and Internal Control Framework (RCIC Framework), MGI has adopted an environmental, social and governance operating model which has been created to support the achievement of sustainability targets that favorably impact the environment, social well-being, and transparency in corporate governance. It is used to identify risk and opportunities to allow for targeted allocation of resources to projects that contribute to sustainable business practices in areas such as stewardship of society, duty towards employees, fairness for customers, responsibility for the community and care for the environment. MGI firmly believes that sustainability should be considered in our business activities to protect MGI's assets, ensure long-term growth and enhance shareholder value.

An effective ESG initiative will result in the following value-added to MGI:

Increase awareness on sustainability and governance – the ESG initiative allows MGI to spread awareness to internal stakeholders, contributing to sustainable operations in the long term, as employees are actively engaged with the topic. In addition, it improves relationships with external stakeholders where sustainability and good corporate governance are becoming an even more important topic.

Improve KPIs – MGI is actively working to achieve improvement on ESG KPIs, such as building a resilient and diverse workforce, reducing the Company's CO2e footprint or ensuring adequate protection of customer data. This results in sustainable value creation in the long term, which makes MGI a company of choice for future investors.

As the ESG initiative is a risk management activity, it applies the MGI RCIC Framework that serves as the integrated framework for all risk and compliance-related activities at MGI. It is composed of five components in line with the COSO Framework. The five components need to be executed properly to achieve an effective ESG initiative and reporting process, as shown below.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Risk assessment is a process conducted to identify, analyze, and document risks in a systematic and repeatable manner. In the context of the ESG initiative, the initial assessment pertains to opportunities that MGI can exploit in order to contribute to sustainable environment, social well-being, and transparency in corporate governance. The Sustainability Committee is the owner of the ESG opportunity assessment, supported by the Head of ESG (see next chapter).

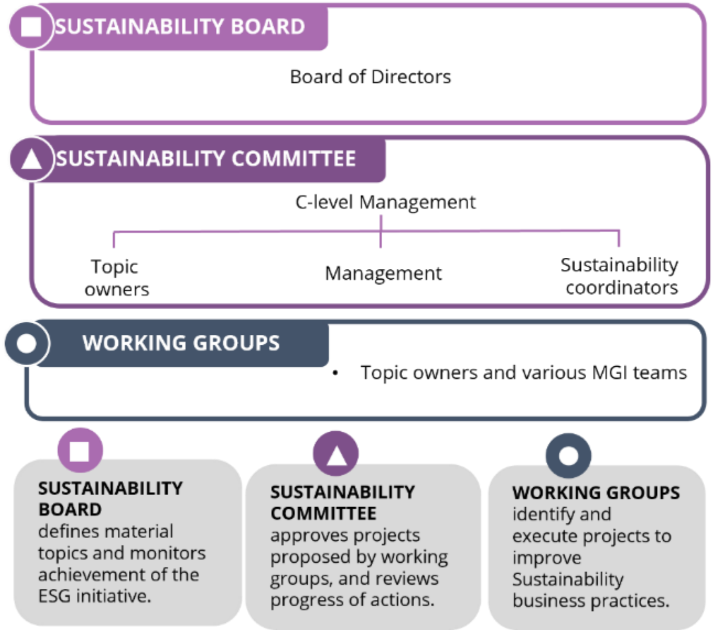
MGI has performed an initial risk and materiality assessment in 2020 resulting in five sustainability priorities, which are the following:

(i) Creating a Meaningful and Innovative Product Portfolio,
(ii) Providing Data Privacy and Security,
(iii) Being a Great Team and an Inspiring Workplace,
(iv) Working towards a Greener Future and
(v) Ensure Business Ethics and Compliance.

Through an ongoing discussion with our stakeholders (for more details see page 71) we continuously monitor current developments and reevaluate the risks our business is exposed to. The results of our discussions with our stakeholders as well as our advancements in the specific areas are discussed and reviewed frequently during Sustainability Committee meetings (see next chapter) which has led to the conclusion that there have been no material changes to the material topics during 2023.

In the following a short topic description and explanation of materiality for the five sustainability priorities can be found. The full list of material topics for each sustainability priority can be found in the GRI content index on page 119. The management of our material topics as well as the ESG-related risk mitigation can be found in Chapter Report on Progress for each of the five sustainability priorities.

Our Sustainability Governance



INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Sustainability at MGI is overseen by the Board of Directors (Sustainability Board). Sustainability is discussed during board meetings and the Board of Directors is responsible for reviewing and approving the Sustainability Report. The Board of Directors is informed by the C-Level about the status and latest developments in the area of sustainability. The C-level heads the Group's Sustainability Committee, which also consists of management representatives from the relevant departments, the topic owners, and the Sustainability Coordinator. The topic owners work together with their teams in working groups and identify and execute projects that improve sustainable business practices, which are then discussed and reported / reviewed during Sustainability Committee meetings.

Topic Description: Creating a Meaningful and Innovative Product Portfolio (Pages 72-80)

At MGI, our commitment to sustainability and innovation operates on two distinct levels. Firstly, we focus on establishing robust frameworks to govern the use of our services and products, ensuring minimal environmental impact resulting from customer usage. This includes implementing stringent content guidelines within our ad tech platforms to prevent the dissemination of hate speech, racism, and discriminatory content in advertisements. Additionally, we enforce clear behavioral standards in our games, supported by advanced technical tools to uphold compliance with our policies across gaming and ad tech platforms.

Secondly, we prioritize the development of innovative products aimed at enhancing processes and solving challenges for our customers. Notably, our investments in contextual targeting and direct supply underscore our dedication to delivering sustainable solutions that effectively address our customers' needs.

Topic Description: Providing Data Privacy and Security (Pages 81-87)

Operating globally as a digital company working with customer data, data protection and IT security is highly important for MGI while ensuring data privacy for our clients. Data breaches could result in unauthorized access to sensitive information that is stored for targeted advertising purposes and could potentially result in identity theft, financial fraud, or reputational damage. Additionally, compliance with the relevant data protection regulations such as GDPR, CCPA/CPRA or local legislation must be ensured to avoid legal penalties or fines. Lastly, data privacy needs to be ensured at all times when working with all partners in the ad-tech ecosystem.

To always ensure data protection and IT security for all stakeholders, MGI has implemented different departments covering these aspects as well as different policies that govern how we handle the aforementioned topics. In all that we do, we act with a privacy first approach to create a safe environment for our customers.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Topic Description: Being a Great Team and an Inspiring Workplace (Pages 88-94, Employee Data Pages 101-105)
Having a committed and diverse work force is essential for MGI to ensure the successful operation of the Company. Talent retention is currently a significant risk in many industries and also affects the ad-tech industry. Moreover, ensuring employee satisfaction and a cultural fit in a global workforce can be a challenge. To foster a creative and innovative work environment, it is also essential to have a diverse and inclusive workforce. Lastly, in a fast-changing and demanding industry such as the ad-tech industry ensuring employee well-being must be a priority.

MGI is constantly working to build a strong and diverse team in order to have a successful and reliable business. It is the Company's belief that a motivated team which can benefit from talent and expertise in all business areas will make the products, services, and the Company stronger and more sustainable. Therefore, MGI has processes and policies in place that ensure that all employees receive the same opportunities in the workplace which should be distinguished by diversity and gender equality, as well as work-life balance. Providing attractive career opportunities with secure employment terms and training opportunities are therefore a focus at MGI and the key for a sustainable business with continued growth.

Topic Description: Working Towards a Greener Future (Pages 95-97)
Taking responsibility for the world we live in must be a priority for any company; climate change is a global challenge. As a digital business, MGI has a high energy usage, which is especially generated by the use of our products. The infrastructure that is supporting the ad-tech platforms and the data centers that must be used additionally contribute to the carbon footprint of the Company.

To reduce the Company's impact on the environment, MGI has implemented several measures to reduce the CO2 emissions of the Company. Overall, the Company's goal is to reduce its carbon emissions as far as feasible and avoid them wherever possible.

Topic Description: Ensuring Business Ethics and Compliance (Pages 98-100)
To deliver high quality products to our customers and therefore generate profit and create value for our stakeholders can only be achieved by operating with good business ethics and in compliance with all applicable laws. This includes all areas of the Company and means to act in accordance with responsible corporate management, have transparent reporting and corporate communication, corporate management that is aligned with the interests of all stakeholders and cooperation between management and the board based on trust. Additionally, compliance with the applicable laws as well as having relevant compliance policies and a Code of Conduct in place as well as MGI's sustainability and environmental responsibility are the essential cornerstones of a modern corporate culture. The Code of Conduct addresses certain legal topics and values including, amongst others, human rights, youth protection, use of personal data and equal opportunities. On group level we established general rules on how to deal with items such as anti-corruption, sanctions and whistleblowing which have been formalized in policies.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Stakeholder Dialogue

This chapter describes how we manage sustainability at MGI how we interact with our stakeholders (chapter **"**Interaction with Our Stakeholders**"**, page 71), followed by a report on the progress we have made over the past year within our five priorities (chapter **"**Report on Progress**"**, page 72).

Interaction with Our Stakeholders

In order to understand current issues and pain points of stakeholders but also to receive feedback and suggestions for improvement, continuous stakeholder engagement is important to MGI. The stakeholders, which MGI has identified as most relevant for its business, are shown below:

The major stakeholders of the Company were first identified during the workshop with imug consulting in 2020. Since then, the different stakeholder groups are reviewed periodically also during MGI'S Sustainability Committee meetings and adjustments are made if necessary. Stakeholders have different possibilities to get in contact with MGI about any Company-related topics. Engaging with the Company can take place during conversations with customers, at industry events, through feedback forms and surveys, at investor roadshows or at capital markets day, through Company communication such as newsletter, reports and press releases, during meetings with business partners as well as during workshops or at conferences in our industry. Gaining insights from as many partners as possible is a valuable exchange for us to continue improving our everyday actions and the feedback is incorporated in our work.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Report on Progress

Creating a Meaningful and Innovative Product Portfolio

The development of meaningful and innovative products that meet our customers' needs and significantly improve the processes and efficiency of our customers while having a positive end effect on the privacy of end users while actively and continuously mitigating unplanned and unforeseen negative effects is an important business focus of MGI. As an advertising software platform with strong first-party games content, this means we want to make advertising better for our customers.

To achieve this goal, MGI has built an integrated advertising platform that matches advertising demand and supply on a global scale and optimizes this process through the use of data. MGI's product offering is available through multiple channels (in-app, web, mobile web, connected TV and digital out of home). **Integration**, **global reach**, and **data** form essential core elements in MGI's business model to successfully execute its mission and are further explained below.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR’S REPORT 207
DEFINITIONS 213

Integrated Solutions: MGI's goal is to build a one-stop shop that is vertically integrated. This means that MGI wants to cover the entire value chain between the advertiser and the publisher. In simplified terms, the advertising value chain today consists of a Demand-Side Platform (DSP), to which the advertisers are connected, and a Supply-Side Platform (SSP), to which the publishers are connected. Between the DSP and the SSP, the automated matching of demand and supply then takes place via auctioning the ad-spaces. This process is enriched with data contributed by a data management platform; the third layer. Currently, these three layers are mostly covered by several companies, each of which specialize in parts of the value chain. Accordingly, the value chain between advertisers and publishers is fragmented, leading to less transparency and more inefficiency. MGI operates in all three layers with the aim of increasing transparency and efficiency in the process.

Global reach: MGI works with many of the Fortune 500 companies on the advertising side. These companies wish to target customers all over the world. Accordingly, MGI's goal is to have a global presence so that advertisers do not have to work with different vendors for certain regions, which increases their overhead. MGI now has 15+ locations worldwide, reaches two billion end users worldwide monthly and delivers 700bn+ ad impressions during the fiscal year 2023.

Data: MGI has built its ad-platform for the new data reality, where privacy-compliant advertising is at the core. On the one hand, MGI has a dedicated owned and operated games portfolio with consent based first-party data. On the other, MGI has developed innovative technologies that enable targeting without relying on identifiers and instead use contextual data. MGI's website provides a good overview of its broad product portfolio. For creatives, we also provide customized ad specifications for our advertisers within detail how an ad experience is rendered on the device / for the user. This is applicable for all formats or ad experiences that are custom-built by Verve Group. Moreover, we have published content guidelines (see next section) for advertisers and publishers to ensure that any content (in-app / website) or the advertisement adheres to strict safety guidelines. Lastly, for publishers, we are providing exhaustive developer documentation that guides them in SDK installations should they choose our software development kit for monetization. During 2023, the Company has not registered any incidents of non-compliance concerning product and service information and labeling or concerning our marketing communication.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
HIGHLIGHTS FROM 2023 64
ESG OPERATING MODEL 67
STAKEHOLDER DIALOGUE 71
REPORT ON PROGRESS 72
EMPLOYEE DATA 101
EU TAXONOMY 106
GRI CONTENT INDEX 119
AUDITOR´S REPORT ON THE STATUTORY SUSTAINABILITY REPORT 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

The "Human" Impact of Our Products & Services

As a Company active in the advertising industry, we are highly aware that any advertisements we deliver have a direct impact on the user's experience. Therefore, we follow a clear policy when it comes to ad quality which includes several different measures and policies. Firstly, we have a strict ad content guideline that restricts and prohibits certain advertising categories and content on our exchange such as discrimination, harassment, or violence. The full content guidelines for our demand partners and publishers can be found on the Verve Group website. Secondly, we have a stringent vetting policy that prequalifies advertisers and DSP's before they are onboarded. Additionally, the policy curates publishers and placements before they are eligible for monetization. Thirdly, we have independent ad quality verification partnerships with global leaders such as GeoEdge that guarantee a zero-bias measurement. Lastly, our manual ad operations team maintains a human control and audit quality on both sides of our marketplace.

On the publisher side, while it is impossible to completely eliminate cases of bad ads, we continuously work toward reducing any such instances. On the advertiser side, we have implemented several measures to prevent ad fraud (including stopping invalid traffic, device spoofing, location fraud, etc.). Since 2021, Verve Group has a straight-A record (the highest-possible grade) on the Global Seller Trust Index, published quarterly by independent fraud detection partner Pixalate.

Innovation, Products and Solutions

As described in the BUSINESS OVERVIEW section, contextual advertising has emerged as a leading alternative to traditional identity-based targeting. In 2023, several of Verve Group's products made significant strides in advancing contextual advertising for our clients and the industry while always working with a privacy-first approach.

Moments.AI™ outperformed other leading contextual platforms by 36x in terms of speed and relevance, according to a 2023 study conducted by an independent research firm.[8] The study measured performance of three platforms (including Verve Group's Moments.AI™) in a head-to-head test of three identical campaigns. Moments.AI also won "Best Contextual Targeting" in the Digiday Awards Europe.[9]

Dataseat, Verve Group's contextual mobile DSP, rolled out its industry-first machine-learning technique for better user acquisition campaigns on iOS. This new bidding model allows for privacy-compliant measurement and optimization on campaigns using SKAdNetwork 4 (SKAN). So far, clients' campaigns have outperformed goals, with a 25% decrease in cost per app install (CPI). This means that app developers and mobile marketers can acquire new users at a much lower cost.

[8] TPA Digital, URL: https://verve.com/case-studies/tpa-digital-moments-ai/
[9] Bloomberg Media, URL: https://digiday.com/announcement/awards/bloomberg-media-mg-omd-um-and-woo-are-2023-digiday-awards-europe-winners/?utm_campaign=Digiday%20Award%20promo%20blitz&utm_content=283926285&utm_medium=social&utm_source=linkedin&hss_channel=lcp-108605

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Match2One, Verve Group's DSP for small and midsized enterprises (SMEs), successfully integrated Moments.AI™ into its intuitive platform. The integration levels the playing field for advertisers of all sizes to activate contextual targeting and future-proof against cookie deprecation.

Other notable product news from 2023 includes preparing for our SDK 3.0 launch in early 2024. The new SDK will include ATOM by default, rolling out our pioneering on-device targeting solution at scale.

Privacy-Enhancing Technologies

MGI's products and solutions are built and operate with a privacy-by-design approach. Our portfolio of owned games gives us access to first-party data that consenting users share with us. Data privacy is a top priority, and we work with first-party data to deliver the best advertising to our customers. In the wake of industry-sweeping privacy changes, including the deprecation of Apple's IDFA and Google's third-party cookies, SKAdNetwork 4.0, Privacy Manifests for app developers in iOS 17, to name a few—MGI has innovated to develop and adapt our products to allow effective targeting while protecting users' privacy.

Collaborating with Industry Leaders for Privacy-First Targeting

Apart from its own innovations in privacy-first targeting, MGI's Verve Group also collaborates with different industry leaders and organizations to find answers to ad-tech's biggest questions.

Verve Group is a proud member of IAB Europe, IAB Sweden and IAB U.K. Our longstanding relationships within the IAB community have created opportunities for Verve Group to help shape the industry's understanding of privacy, addressability, identity, and transparency in advertising. In 2023, our thought leadership contributions with IAB and other industry outlets include the following.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Guides and reports

- CTV
  - Guide to the Programmatic CTV Opportunity in Europe (IAB Europe)
  - Attitudes to Programmatic Advertising Report 2023 (IAB Europe)
  - Guide to Attention in Digital Marketing (IAB Europe)
- Programmatic advertising landscape
  - Attitudes to Programmatic Advertising Report 2023 (IAB Europe) — Ninth edition of EMEA's premier report of new research and insights on programmatic advertising.
  - 2024 Trends in the Programmatic Ecosystem (IAB Europe)
  - Knowledge Hub feature of Verve Group's "Identity Decoded" eBook (IAB Europe/IAB Sweden) — Verve Group published "Identity: Decoded," an in-depth guide to identity in ad-tech, which was featured on IAB Europe's Knowledge Hub. The Swedish translation was also featured by IAB Sweden.
  - 2024 Visionaries: AdTech Trends, Predictions and Beyond! (ID5)
- Gaming
  - Guide to In-Gaming (IAB Europe)
  - What is gaming bringing to advertisers' omnichannel strategies? (IAB UK/The Drum)

Presentations and panels

- Virtual Programmatic Day (IAB Europe)
  - Panel: How AI is transforming programmatic advertising
  - Panel: Programmatic Omnichannel
- CTV Virtual Day Panel (IAB Europe)
  - Panel: How CTV is transforming omnichannel campaigns
- Webinar: Unpacking Omnichannel (IAB Europe)
- Webinar: Brand Advertising Spotlight - The In-Game Opportunity (IAB Europe)
- Podcast: App monetization trends (Apptica)
- Podcast: User acquisition from contextual mobile DSP perspective (Apptica)

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Verve Group's experts were regularly interviewed and quoted in leading industry media outlets, including Digiday, The Drum, AdExchanger, and Advertising Week.

Other industry involvement includes:

- Google's Privacy Sandbox: Verve Group is an active participant in the Privacy Sandbox, an industry-wide effort to develop new technology that will improve people's privacy across the Web and apps on Android. The proposed solutions will limit tracking of individuals and provide safer alternatives to existing technology on these platforms while keeping them open and accessible to everyone.
- The Women in Programmatic Network (TWIPN): Created to provide opportunities and support for women in the programmatic and digital advertising industry, TWIPN launched its German chapter in 2023. Three board members are from Verve Group and Smaato, including the current Principal Board Member and two founding members.
- Partnerships with third-party universal identifiers, including The Trade Desk's UID 2.0, LiveRamp's RampID, and ID5.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR’S REPORT 207
DEFINITIONS 213

Other Partnerships

In addition to innovating and enhancing our product offerings, Verve Group builds strong partnerships to help our clients meet their objectives. In 2023, this included onboarding Givsly to help advertisers reach their corporate social responsibility (CSR) goals. This partnership offers clients a new ad unit that drives engagement while boosting brand sentiment. Advertisers and brands can now easily integrate donation messaging into static, rich media, video, and CTV creatives.

In 2023, Verve Group also expanded their partnership with Adelaide Metrics, the industry’s foremost attention measurement provider. The enhanced partnership helps Smaato’s exchange track the valuable attention metrics needed for today’s media strategy. In collaboration with TVision, this offering brings attention tracking to connected television (CTV). Recognizing the critical role of measuring attention to understand media quality and campaign performance without relying on identifiers, Verve Group initially onboarded Adelaide Metrics as its preferred attention measurement partner in 2022.

Dataseat bolstered its partnership with data.ai by integrating its cross-app affinity capabilities. For advertisers, it opens the black box with insights on where target audiences spend their time – and where to find more of them. This type of increased transparency helps make the advertising supply chain more efficient, ultimately reducing ad and energy waste.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Charitable Actions

Now in its second year as a corporate sponsor, Verve Group donated to Eden Reforestation Projects on behalf of our clients in 2023. This organization actively addresses the climate crisis by restoring forest systems, one tree at a time. Our annual contribution further fortifies our dedication to a healthier planet. Eden's mission is to create a sustainable and community-driven approach to restoring the environment, benefiting both the planet and the people. In addition to planting 485 million + trees, Eden advocates for fair wages and employment opportunities for women and single parents. MGI's games studio gamigo group launched its cooperation and project website with the Eden Projects program already in 2020. All player purchases via the cooperation website generate donations to Eden Reforestation Projects, which until 2023 has resulted in over 60,000 trees being planted.

The employee-led Verve Group Cares team helps amplify campaigns for NGOs and nonprofits by donating ad impressions. These ad impressions are diverted from invalid traffic (IVT), meaning publishers can ensure high-quality media alongside their content, ultimately creating a better user experience while reducing ad wastage. Examples of sustainability-focused organizations supported by Verve Group Cares include Project Drawdown and the World Wildlife Fund. In 2023, Verve Group donated 6.4 million impressions to share NGOs' messages.

MGI's ad-tech platform, Verve Group, proudly received a Tech Cares Award from TrustRadius in 2023 for the second consecutive year. The award recognizes tech companies based on their strong commitment to corporate social responsibility programs that enable employees and local communities to live in a more sustainable and equitable world.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

First-Party Games Content from Our Games Studios

Since the start of building our games product portfolio, we have aimed to create games that offer a diverse and inclusive experience that cater to many different preferences, age groups and genres. In our MMO[10] portfolio, we have a multitude of different game genres that are available in at least four different languages, with some even offering 10+ different languages which - is thanks to a dedicated localization team that provides high quality translations. All games are accessible worldwide and the age ranges of our players are targeted between 18 and 60. The terms of use and game rules for our games aims at protecting our players and opposes any kind of insults, sexual harassment, racist or hateful language, threats, or bullying. To help enforce our code of conduct, we have also implemented various preventive measures and sanctions for misconduct. In terms of youth protection, we continue to work with USK, PEGI and ESRB as well as our external youth protection officer who monitors our group.

[10] MMO means Massively Multiplayer Online Game. It's a game which can be played by several players in same time via the internet.

MGI has also continued to involve its players in ESG-related initiatives. In addition to having an inclusive and diverse games portfolio, we have also acted to implement sustainable activations into our games to educate our players and incentivize them to get involved with sustainability topics. We continued our permanent cooperation with Eden, which was established in Q3 2021, and created several monthly in-game events to inform players about the impacts of deforestation and what actions can be taken to fight it. We have also introduced sustainability days into our games. These were events that were linked mostly to international awareness days or UN specific days on certain topics such as World Rainforest Day, World Health Day, Word Wildlife Day and many more. We have been using these days as an opportunity to introduce fun and educational events into our games or to incentivize players to take charge in the real world. Players could also earn small rewards and in-game items when taking part in the events. Some challenges were purely in-game while others also encouraged the players to get out and take care of the environment around them. Overall, we have hosted 22 sustainability days in our MMO portfolio this year. Because of the positive reception to these events by both players and employees, we will continue to incorporate them into our games next year as well.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Providing Data Privacy and Security

Being an ad software platform with strong first-party games content and therefore a company that works with and processes significant amounts of personal data of clients, customers and gamers, data privacy and security is irremissible. It is therefore one of our top priorities and we continuously work on further improving our processes, systems, and policies in this area. Data Privacy is handled by the legal department / data protection unit which is headed by the MGI Head of Group Data Protection. IT and Data Security belongs to the Heads of IT and Security headed by the MGI Group COO.

As there are of course many points of contact between our Data Privacy team and IT Security in the area of data protection, IT Security and the Data protection Unit closely work together (e.g. weekly coordination, joint efforts on the new Information Security Management System/ISMS).

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Data Privacy

Organizing Data Privacy at MGI

Especially in a larger group of companies such as the MGI Group with its various fields of activity, it is mandatory that data protection is stringently organized. In order to achieve this goal, MGI has clearly distributed responsibilities and functions that work hand in hand in the area of data privacy:

MGI Data Privacy Unit (Part of The MGI Legal Department)

The Data Privacy Unit consists of several licensed attorneys and other legal experts who are, among others, qualified in international data protection law (e.g. CIPP/US and CIPP/EU). There is also a Director of IT Compliance & Data Processing in the Data Privacy Unit, who helps in particular with the preparation of complex technical issues to be assessed by our privacy lawyers.

Data Protection Officers

As MGI has a multifunctional structure (B2B: Verve Group; B2C: gamigo group), MGI has not only one but several external data protection officers. There is one for the Verve Group (https://www.fieldfisher.com/en/locations/germany/services/data-protection) with a high degree of specialization in the ad-tech sector, one for the U.S. business of the gamigo group and one for the EU business of the gamigo group.

MGI privacy coordinators

As we strongly believe that data protection should not only come from the top down, but also from the teams, we have appointed so-called Privacy Coordinators at MGI. These are based in the respective teams (Marketing, Finance, HR, etc.) and serve the MGI Data Privacy Unit as contacts and information sources for several data protection topics.

External Legal Counsel

Especially for system-relevant topics, the MGI Data Privacy Unit constantly seeks advice from external law firms (EU, US, others) with strong focus on data privacy law.

Data Privacy Trainings

A company's level of data protection also depends to a large extent on how well each individual employee is equipped in this area. This is why MGI provides continuous data protection training (EU, US, RoW). For this purpose, we use an EU provider that regularly adapts its training courses to any changes in requirements. As MGI's management bears overall responsibility for data protection, separate training will be provided for top management/C-level/board from 2024. In addition, the MGI Data Privacy Unit already provides separate training on a case-by-case basis for employees/departments where a specific need has been identified by the Legal Department and has been communicated to the Data Privacy Unit.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Privacy-First Approach

MGI constantly follows a "privacy-first" approach when it comes to data privacy. In practice, this means that the implementation of the following data protection principles has a high priority:

- Lawfulness and transparency
- Purpose limitation
- Data minimization
- Accuracy
- Storage limitation
- Integrity and confidentiality
- Accountability

Lawfulness and Transparency, Purpose Limitation

In the processing of personal data (of: employees, B2C customers, B2B partners), great care is taken to ensure that personal data is only processed with the correct legal basis in each individual case (GDPR: Art. 6) and within the scope of the previously defined and communicated purposes.

When using CMPs (Consent Management Platform), MGI follows the highest standards (no dark patterns, no nudging) in order to give website users or users of the gamigo group's diverse mobile services/apps the opportunity to make transparent decisions about how the user's personal data may be used.

The respective privacy policies of the MGI Group companies (for MGI employees, applicants, B2C and B2B clients/partners) clearly define the purposes for which personal data is processed. As soon as new processing purposes are added, the corresponding privacy policy is modified.

Data Minimization

During data processing, we only collect as much personal data as is absolutely necessary for the respective processing purpose. The following principle applies: "As much data as necessary, as little data as possible." This is intended to protect the data subject from excessive disclosure of personal data. The Data Privacy Unit of MGI's Legal Department continuously ensures that this principle is adhered to, for example, by only requesting mandatory data when creating a new gaming account.

Accuracy

Personal data must be correct and up-to-date and must come from reliable sources. We therefore delete or correct incorrect or outdated data as soon as we become aware of it.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Storage Limitation

If personal data is no longer needed, it is deleted by us, unless the deletion conflicts with our statutory retention obligations. As long as the retention period runs, the affected data is not deleted, but blocked from further use by the controller. For this purpose, the MGI Data Privacy Unit has implemented a data deletion concept that ensures that this process is continuously adhered to. MGI also has a process for data deletion requests: as soon as a user requests the deletion of their personal data on its own, this data is automatically deleted (and only data that must be retained is kept for as long as necessary). To make it easy for users, there is now a function in the B2C sector (gamigo group) that allows users to initiate the deletion of their account data themselves.

Integrity and Confidentiality

Personal data must be treated in a secure and confidential manner. In particular, unauthorized persons must not have access to it and must not be able to use the data or the devices with which it is processed. In order to achieve this goal, MGI has a process in place to ensure that only authorized personnel have access to personal data (Authorization Concept). In addition, MGI's IT department is continuously developing new security measures to ensure and improve the integrity of data and, in particular, personal data. (See section below on IT Security)

Accountability

In order to constantly track and improve the legal, technical and organizational measures we have taken to ensure data protection and to be able to provide evidence of these without delay, an improved data protection management system (DPMS) is currently being set up at MGI. It is expected to be implemented in H1 2024.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
HIGHLIGHTS FROM 2023 64
ESG OPERATING MODEL 67
STAKEHOLDER DIALOGUE 71
REPORT ON PROGRESS 72
EMPLOYEE DATA 101
EU TAXONOMY 106
GRI CONTENT INDEX 119
AUDITOR´S REPORT ON THE STATUTORY SUSTAINABILITY REPORT 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Monitoring Legal Developments in Data Privacy

Data protection is not a topic that is touched once and then never again. Especially (but not only) in the European legal system, data protection requirements are dynamically changing. In order to take this into account and to be able to react to any changes at an early stage, we constantly monitor the developments in this area and implement new requirements accordingly using a risk-based approach (for example: EU Digital Services Act, new TCF version 2.2, etc.). External consultants also support us in this process.

Processing of Personal Data

Data Subject Rights

Within the entire MGI Group (B2B and B2C), it is ensured by means of appropriate implemented processes and responsibilities that data subjects can assert their data subject rights (cf. Art. 15 et seq. GDPR, but also under U.S. and other legal systems) and that MGI processes and documents these requests within the statutory deadlines (e.g. GDPR: within one month at the latest). In the reporting year, 18 requests for information (Art. 15 GDPR) were submitted to the gamigo group which were all answered within the statutory period (max. one month). 31 requests for deletion (Art. 17 GDPR) from individuals or partners, four requests for information (Art. 15 GDPR) and two requests for opt-out (CCPA opt-out right) were submitted to the Verve Group, which were all answered within the statutory period (max. one month).

Processing Directory

The MGI Data Privacy Unit maintains a semi-automated processing directory from a third-party provider (cf. Art. 30 GDPR). This processing directory is constantly updated as soon as there are new processing activities or existing processing activities are discontinued.

Data Protection Incidents

MGI maintains an incident management system which ensures that any data protection breaches and other incidents in the area of IT security are processed and documented immediately, see also "Incident Response Plan" in section Information Security. In the current reporting year, there were no reportable data protection incidents in the whole MGI Group and consequently no sanctions were imposed by authorities in this area.

Proactive Approach

When developing new digital services, the MGI Data Privacy Unit is involved at a very early stage by the product teams in order to take data protection into account from the outset and minimize potential risks in this area right from the start.

M&A and Acquisitions

In order to ensure data protection compliance of newly acquired companies, the MGI Data Privacy Unit not only checks data protection compliance and any implementation effort as part of the due diligence process. The unit also ensures that any weak points in the area of data protection are worked through one after the other using a checklist and that the newly acquired company is integrated into the MGI Group's data protection system without any delay.

Information Security

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

MGI's information security strategy aims to effectively decrease cybersecurity risks for the Company's assets, as well as for client data, by implementing and evolving better solutions and practices for granting confidentiality, integrity for information and availability of our services in compliance with the current privacy laws and data protection requirements such as GDPR and PCI DSS (Payment Card Industry Data Security Standard).

To achieve these goals, MGI has started to implement a risk-based, comprehensive Information Security Management System (ISMS). Central to the adoption of the ISMS, MGI developed several information security policies in 2023 that will come into effect for the MGI Group in 2024.

A strong foundation is created by the Information Security Charter, which defines the core roles, duties and goals for the ISMS and has been adopted by the MGI C-Level and Board of Directors. The Board's audit Committee has been tasked to monitor MGI's risk management, including the management of information security risks. The COO of the MGI Group, Jens Knauber, has taken on the executive responsibility for information security in the MGI Group. Furthermore, MGI has appointed an external Chief Information Security Officer (CISO) with reporting line to the COO to lead the introduction of the ISMS and support MGI with subject-specific resources. Other policies which will come into effect in 2024 cover the classification and secure handling of information, changes to IT systems, requirements regarding the selection and management of suppliers and services and more. Policies are made available to employees in a central policy cockpit.

Employees continued to receive periodical training aimed at creating better awareness of attacks, enabling each employee to recognize and properly react to instances of phishing, social engineering, and other attacks. An effective cyber defense training program is more than an annual event; it is an ongoing process of improvement. The training should be specific, tailored, and focused based on the specific behaviors and skills needed by our workforce, depending on each employee's job role and responsibility. It will be repeated periodically, measured, and tested for effectiveness and regularly updated. It should increase awareness and discourage risky workarounds by including rationale for good security behaviors and skills.

To ensure the access rights to information assets have been set to follow the principle of least privilege, extensive user access and permission reviews were performed. Specifically, all external and internal accounts for financial and revenue related systems have been assessed. To utilize synergies and reduce the manual effort, the user and permission reviews have been partially automated and aligned with the Internal Control System.

MGI Group also continued to improve and extend its technological information security controls. The roll-out of multi-factor authentication has continued throughout 2023, with phishing-resistant factors planned to be added for critical accounts in 2024.

To further secure user accounts, the deployment of a password manager for all employees has been kicked off. This allows passwords to be stored, distributed, and managed securely and with appropriate oversight from IT Security.

Several other measures have been taken to reduce technical debt and increase transparency of the MGI infrastructure, including an

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

extended integration of systems into security monitoring and the introduction of a new, central endpoint protection solution.

Both suppliers of information assets and changes to information assets can impose vulnerabilities, but new security-minded processes for supplier and IT-Change management provide mitigations.

To further identify vulnerabilities, third-party vulnerability analyses are performed regularly. The identified vulnerabilities are then mitigated.

Based on current best practices and the incident response plan rolled out for the Verve Group in 2022, a Policy on Incident Response has been developed for the whole MGI Group. The policy provides a well-defined and organized approach for training and preparing for and handling actual or potential threats to the business and describes the roles and responsibilities of the security incident response teams. Also, it defines a clear escalation process which employees can follow if they notice something suspicious, which is communicated to them through the Policy on Acceptable Use.

At MGI, company acquisitions are integrated into the overall information security strategy. This includes anti-malware, intrusion prevention, web control and web security. Moreover, all new devices that get into the group through an acquisition get a managed full-disk encryption and are included in the security awareness training program. Workspaces are migrated with the existing applications and multi-factor-authentication is established.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Being A Great Team and an Inspiring Workplace

Having a strong and motivated workforce is essential for MGI in order to grow the Company sustainably. At MGI, we have several focus areas in terms of our team and our workplace which include amongst others Recruiting & Onboarding, Talent Development and Retention & Wellbeing. Due to the large amount of data collected in respect to employees, further information on the MGI workforce can be found in the Chapter "Employee Data".

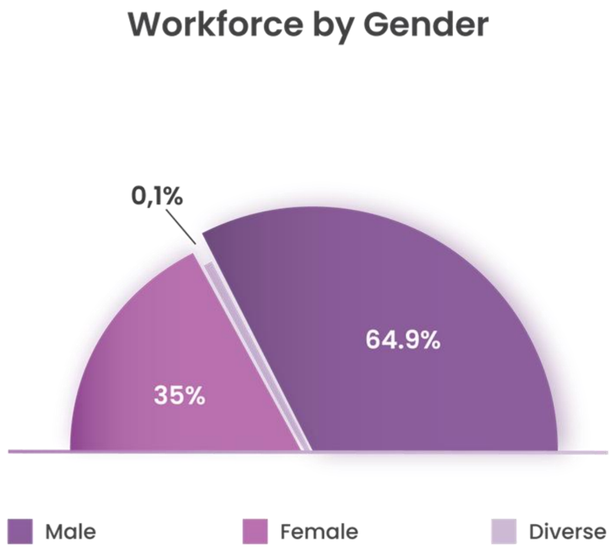
Improvement of HR infrastructure

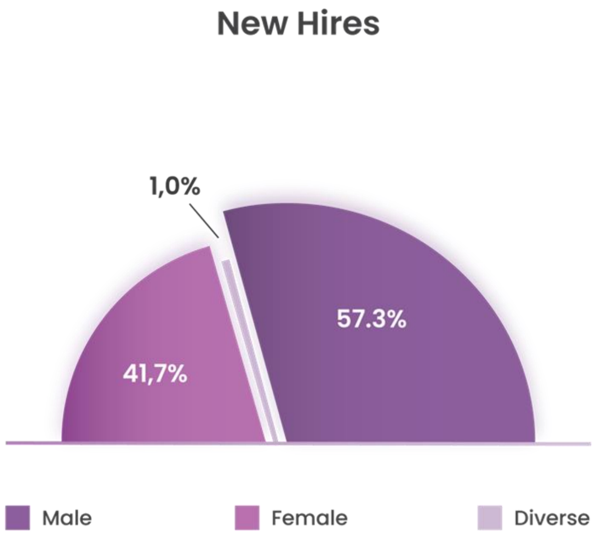
In 2023, we took significant strides to unify our IT HR infrastructure by implementing HiBob, a new HR tool, across all our companies. This initiative consolidated data from MGI, our ad software platform Verve Group, and our games studio gamigo. Alongside standard employee data management functions, HiBob features advanced modules for talent management, compensation planning, and internal communication tools.

Additionally, in January 2023, we introduced Workable, a new recruiting tool for our gaming sector. This platform enhances the applicant experience, streamlines the recruiting process, and facilitates efficient reporting. With Workable, we can also independently control and present landing pages for new applicants in a contemporary manner, promoting a cohesive candidate experience. Furthermore, the adoption of Workable company-wide fosters internal global collaboration within our gaming division.

We also implemented an automated HR ticketing system using Jira for select parts of the Company and prioritized enhancing transparency in our internal processes. As a result, we launched a new version of our intranet, empowering employees to easily access information about benefits, employee lifecycle processes, and valuable talent management insights.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
HIGHLIGHTS FROM 2023 64
ESG OPERATING MODEL 67
STAKEHOLDER DIALOGUE 71
REPORT ON PROGRESS 72
EMPLOYEE DATA 101
EU TAXONOMY 106
GRI CONTENT INDEX 119
AUDITOR´S REPORT ON THE STATUTORY SUSTAINABILITY REPORT 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213





Nationalities

66

at MGI

New Hires[11]

103

in 2023

[11] Employees that have joined the group through an acquisition are counted as new hires.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Diversity at MGI

People are the most important asset of MGI. Capitalizing on what is unique about individuals and drawing from their different perspectives adds value to our business. That is why MGI aims to recruit and develop talent from the widest possible talent pool to create an environment that is inclusive to different lifestyles and living situations. At MGI, it does not matter who you are, where you come from or what age you are. Our Equal Opportunities Policy covers our understanding of equality, diversity and inclusion and gives the Company's view on harassment and bullying which we strongly oppose and for which we have zero tolerance. It also provides guidelines as to what to do in case the policy is violated and what disciplinary and grievance procedures are available in case of a violation or if an employee feels treated unfairly. Additionally, the responsibilities of managers and employees are explained. During the reporting period there were no incidents of discrimination and hence no corrective actions were taken.

To ensure our DEI strategy reflects the needs of the organization, in early 2023 we conducted a DEI survey to better understand the needs of employees. The results showed employees are highly interested in topics like parental support, intercultural communication or microaggression and unconscious bias so we introduced several training opportunities focused on these topics. We also organized several activities celebrating the global and diverse character of the Company and introduced new DEI job boards to increase diversity in our talent pools.

Recruiting & Onboarding

At MGI, attracting and retaining exceptional talent is paramount, especially in the current challenging hiring landscape. Recognizing the significance of recruiting top-tier individuals who align with our Company culture, we continuously enhance our recruitment processes to ensure efficiency and effectiveness.

MGI is hiring its personnel in accordance with the applicable local legislation concerning equal opportunities and fair chances for all. While MGI has no formal recruiting policy, MGI however has a structured and standardized recruiting and onboarding process. MGI's recruitment process involves identifying hiring needs, initial discussions with HR, pre-selection by the Hiring Manager and Recruiter, a screening call to assess cultural fit, multiple interviews, potential meetings with team members or assessments, followed by an offer the contract signing, and the onboarding.

In 2023, we implemented a revamped competency-based recruiting process, complemented by comprehensive training sessions aimed at enhancing interviewing skills for non-HR team members. These initiatives reflect our commitment to refining our recruitment methods and selecting candidates who not only possess the necessary skills but also resonate with our organizational values.

As part of our onboarding strategy, we introduced tailored knowledge exchange sessions covering various product areas, Company culture insights, managerial perspectives, and department-specific information. To gauge the effectiveness of our onboarding efforts, we implemented a survey completed by all new team members, yielding an impressive overall rating of 4.3 out of 5 by the end of 2023.

To address short-term recruitment needs, we established a freelancer pool capable of handling sudden demands, ensuring agility in our staffing approach. Additionally, on the gamigo side, we expanded opportunities for prospective candidates and emerging talent. We initiated programs aimed at nurturing the next generation such as internships which are offered in collaborations with local colleges and high schools in the U.S. Our summer intern program provides students with hands-on experience, working on projects for up to 10 weeks during the summer, fostering growth and development within our industry. We have welcomed several students into our games studios, further enriching our talent pool and contributing to their professional growth.

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Talent Development & Training

Investing in the development and training of our employees remains a top priority at MGI. To foster a culture of continuous improvement, we have implemented a new Performance Management Process within HiBob, integrating peer and upward feedback to achieve a comprehensive 360-degree view. This enhancement strengthens our feedback culture and ensures a more holistic approach to employee development. Recognizing the importance of individual growth, we've introduced a dedicated 'personal development' section in our Performance Management Process, empowering employees to focus on their professional advancement. Leveraging HiBob enhances transparency and efficiency across the Company, offering analytical insights that facilitate talent discovery and promotion on a global scale, transcending geographical and departmental boundaries.

Every employee at MGI benefits from regular feedback sessions and performance reviews with their managers (with an attendance of 100%), fostering open dialogue and constructive evaluation of current performance. These bi-lateral discussions also serve as opportunities to map out individual career paths and identify competency-based training needs tailored to personal growth objectives. Training is available for all employees (full-time and part-time) and we have allocated a training budget averaging € 500 per employee per year, ensuring access to diverse learning opportunities. Employees engage in discussions with their managers to explore tailored training options, including online resources such as Udemy or LinkedIn.

We have also introduced two global learning cycles: Leadership Academy and Savvy Skills webinar. The first program is dedicated to managers, both new and seasoned, and it has a goal to align practices across the organization and also ensure leaders are equipped with skills needed for modern work. Savvy Skills webinars are monthly training sessions, mostly focused on soft skills, but also addressing topics like diversity, unconscious bias, vulnerability, or practical time management. Additionally, our workforce undergoes comprehensive occupational training covering areas such as occupational health and safety, data protection & privacy, and anti-harassment practices. Notably, the entire Company received intensive IT Security training this year.

In total, MGI recorded 7726.9 training hours in 2023, averaging 11.5 hours of training per employee, underscoring our commitment to continuous learning and professional development.

Category	Female	Male	Total**
Total hours of training that employees have undertaken	3292.9	4408.0	7726.9
No of employees per category	235	437	672
Average hours of training that employees have undertaken	14.0	10.1	11.5
Percentage of total employees receiving training (report total) *	100%	100%	100%

*incl. mandatory training; ** for GDPR reasons, the column diverse was deleted. However, our diverse employees are included in the total.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Retention & Wellbeing

Throughout 2023, our focus extended to refining our retention and wellness initiatives to foster a thriving work environment. One notable addition was the introduction of our Work and Travel program, offering employees the chance to win a month of travel to any of our office locations. The goal of this program is to connect cultures from different offices, strengthen employee relations and emphasize the global character of MGI.

Furthermore, we introduced an employee shares program, enabling our workforce to invest in MGI and share in our collective successes. The continuation of our popular cafeteria system for Company benefits, initially launched in 2022, remained a cornerstone throughout 2023. We have also introduced several global partners to make it more employee friendly and automated (Fringe and emplu).

As part of our evolving Mobile Work policy, we initiated a 'Back 2 Office' campaign effective from September. While maintaining flexibility with mobile work options, we encouraged employees to be present in the office twice a week to facilitate personal interactions and collaboration. To support this transition, we implemented free lunch offerings at the office twice a week. Additionally, we preserved the opportunity for employees to work abroad for a limited, pre-agreed duration to accommodate personal circumstances. This initiative, inaugurated in 2022, was embraced by 125 employees throughout 2023.

Moreover, recognizing the importance of holistic wellness, we introduced Wellness & Recharge days at our gaming division, extending their availability to the entire Company. These initiatives underscore our commitment to promoting wellbeing and mental health across our organization.

Occupational Health and Safety (OHS)

Ensuring the health and security of our employees serves as the foundation for fostering engagement across MGI. However, considering that we are operating a purely digital business working in offices, physical health and safety risks are very limited in our offices. While we do not have an official occupational health and safety policy, health, safety and security of our staff members is covered by MGI's Code of Conduct. Incorporating health and safety of our employees into our Code of Conduct signals that it is a fundamental value, on par with other ethical and legal principles and aligns occupational health and safety with core organizational values and the overall corporate ethos. We also abide by the relevant health and safety regulations in each country in which we operate.

To bolster awareness of OHS standards and ensure regulatory compliance, we implemented a comprehensive training tool provided by lawpilots throughout the entire MGI group. This tool guarantees that all relevant employees undergo annual training sessions and refreshers, complete with documented certification. Furthermore, we instituted mandatory health and safety training sessions, where applicable, within our office environments. These sessions cover critical areas such as fire protection officer roles and first aid training. Additionally, we continued to offer COVID-19 booster shots and flu vaccinations to interested employees, a service that was well received in the previous year. Notably, in 2023, MGI recorded zero work-related injuries, underscoring our commitment to maintaining a safe and healthy workplace environment.

Even though physical risks in the business are negligible, impacts on psychological health need to be considered, which is why we have implemented several wellbeing initiatives as outlined in the previous chapter.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR’S REPORT 207
DEFINITIONS 213

Employee Engagement on ESG Related Topics

Throughout the year, a range of activities is organized across different working groups aimed at enhancing employee awareness of sustainability issues. The campaigns are strategically planned to address both Environmental and Social aspects, aligning with the ESG framework.

Social initiatives are designed to bolster team spirit, cultivate a positive workplace atmosphere, and prioritize employee well-being. These efforts not only strengthen our Company culture but also facilitate communication among our globally dispersed workforce. Activities encompass various avenues such as sports events, gatherings, education on sustainable waste management, and opportunities for charitable donations. Through these endeavors, we foster a sense of community, promote teamwork, and advance our commitment to sustainability across the organization.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
HIGHLIGHTS FROM 2023 64
ESG OPERATING MODEL 67
STAKEHOLDER DIALOGUE 71
REPORT ON PROGRESS 72
EMPLOYEE DATA 101
EU TAXONOMY 106
GRI CONTENT INDEX 119
AUDITOR´S REPORT ON THE STATUTORY SUSTAINABILITY REPORT 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Working Towards a Greener Future

Continuing to work on the reduction of our CO2e emissions and creating opportunities to improve our business procedures is an important pillar of MGI's sustainability work. We have therefore initiated several different workstreams and initiatives throughout the Company to actively work on the reduction and improvement of our footprint thereby creating a greener future for all. Our sustainability and environmental responsibility are covered in our Code of Conduct.

Incorporating environmental responsibilities into our Code of Conduct signals that environmental stewardship is a fundamental value, on par with other ethical and legal principles and aligns environmental responsibility with core organizational values the overall corporate ethos.

CO2e Emissions

MGI has been tracking their CO2e emissions since 2020, monitored changes in emissions on an annual basis and reported the total amount of carbon emissions with the help of Planetly. Due to the closure of Planetly by its owner OneTrust between 2022 and 2023, we have chosen a new provider to calculate our emissions after completing the calculations for 2022. We have engaged Cedara, who specializes in ad-tech companies, to monitor and report on emissions in the next years. Due to the change of provider and changes in the methodology for better compatibility of the calculation with the requirements of an ad tech Company, not all analyses and results could be finalised at the time of publication. Accordingly, they will be announced at a later date.

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Since 2020, we have decided to offset carbon emissions that could not been avoided despite our efforts. We are aware that offsetting emissions should only be a last resort, but for those emissions that could not be avoided, we decided to do so anyway. During the last year we bought, according to Planetly's recommendation, credits from a diverse portfolio which includes, for example, reforestation or renewable energies. Those projects are certified via Gold Standard to support 6 of the 17 officially defined sustainable development goals by the United Nations (SDG 1, SDG 3, SDG 7, SDG 8, SDG 12, SDG 13).

Cloud Operations

Improving efficient energy usage is one of the priorities for MGI for its sustainability priority "Working towards a Greener Future". For our ad-software platform, MGI does not own its own server hardware, which means that the Company has limited possibilities to adjust the energy output. Nonetheless, MGI has several strategies in place to regulate its energy usage as much as possible with the external providers.

The first strategy is the appropriate vendor selection, meaning to choose those cloud partners that have sustainability initiatives in place so that the overall energy usage of the vendor is more sustainable. MGI's primary cloud provider is Google Cloud Platform who according to its own information covers 100% of its energy needs by renewable energy. Data centers are constructed sustainably meaning the general operating temperature has been raised to 27°C degrees, and they are cooled by using outside air. Also, they are using a carbon-intelligent computing platform to shift timing of tasks to carbon lower sources. Additionally, Google is planning to move to carbon-free energy by 2030 for all its operations. Moreover, Google is developing tools for determining carbon costs for its server and hardware from cradle to grave which should be released soon. Overall, the Google Cloud Platform can be seen as one of the cleanest cloud providers in the industry. As part of our plans for 2024 and beyond, we are moving a significant portion of our additional workloads to Google (GCP) and away from AWS to also optimize internal processes. MGI's secondary provider, Amazon Web Services (AWS), is also taking similar steps. AWS is aiming to operate all data centers with 100% renewable energy by 2025. In 2022 AWS already used 90% renewable energy. Additionally, there are several initiatives at AWS to reduce the embodied carbon in their data center construction. Both GCP and AWS have a customer carbon footprint tool, which we use for the calculation of our CO2e footprint.

MGI is actively working with their vendors to find additional carbon reduction potential and is also testing the new tools that Google and Amazon are developing. Additionally, our colocation hosting providers such as Rackspace, OVH, Hetzner or Lumen, which we are using for our games studios, are already running on 100% green energy.

MGI's second optimization strategy is better resource utilization by choosing what technologies we are using with our different cloud partners. As new technologies and tools become available, we carefully select technologies based on carbon footprint as well as cost. For new regions, the choice of the vendor takes their sustainability approach into account.

The third and final strategy to reduce emissions of our cloud operations is selective processing meaning that we optimize the yield of our data and do not process data unnecessarily. To achieve this, MGI focuses on customers and partners with higher fill-rates and

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

better bid quality. Non-revenue generating data is filtered out, so that it is not stored and processed further. Additionally, MGI's data science teams algorithmically reduce low-yielding inventory so that we do not pay to deliver or process it, thereby reducing overall energy usage. We also adjust our resource allocation based on our needs and shut down no longer needed resources. For our games servers particularly, we have a goal to continuously reduce our infrastructure footprint. This includes shutting down old websites or platforms wherever possible to reduce our impact.

Offices, Marketing & Trade Fairs

We have also been evaluating our marketing materials in terms of their environmental impact and have reviewed client gifts at trade fairs, how to get multiple uses out of trade fair equipment, evaluated employee onboarding materials and many other initiatives. Additionally, for 2023 the procurement of goods and services have been revised in terms of sustainability and also our waste handling has been reviewed to encourage a more climate-conscious behavior and improve the sustainability quality of our processes. However, due to the fact that we do not produce physical products, the amount of waste that arises within our Company is extremely low in comparison to other listed companies. A basic amount of household, paper and plastic waste that usually accumulates in offices cannot be completely avoided.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Ensuring Business Ethics and Compliance

To ensure the sustainable long-term success of MGI, it is important to have adequate policies and tools in place to ensure compliance with applicable laws. MGI ensures ethical business practices by operating an elaborate compliance management system and by having the necessary policies and a Code of Conduct in place.

Compliance Management System

MGI has an elaborate Compliance Management System (CoMS) which is developed on a continuous basis. The CoMS is headed by the MGI Legal and Compliance Department and aims to prevent violations of the law and to reduce liability risks by introducing and enforcing the appropriate policies as well as ensuring that employees are trained in compliance. By an adequate tone from the top, the management communicates and reminds employees that compliance is more than just a nice-to-have and commits to our values and to compliance with the law. The Compliance Management System includes our code of conduct and provides information on how compliance at MGI is organized including the responsibilities of the board, processes, the policies, and trainings as well as how we identify compliance risks, how they can be reported and what MGI does to react to any compliance issues.

Code Of Conduct and Internal Policies

The CoMs currently includes the Code of Conduct and the following policies, which are available on the Company website (https://mgi-se.com/key_policies/) and through the Company intranet:

Code of Conduct: contains amongst other topics labor rights, human rights, youth protection, responsible use of data, sustainability and environmental responsibility. For full details, please consider the complete document on our website.

Anti-bribery and anti-corruption policy: covers which principles we follow in the area of anti-bribery and anti-corruption as well as guidelines as to how to behave.

Sanction compliance and sanction screening policy: explains basic principles as well as what sanctions are, how to ensure compliance with sanction and what to do in case of irregularities.

Insider policy: explains what insider information is, who is affected by the insider policy and how insider information must be disclosed.

Information policy: covers how information is communicated, how to handle forecasts and forward-looking statements, as well as how to deal with insider information.

Whistleblower policy: explains what violations should be reported through the whistleblower tool, how to use the tool, how incidents are investigated and how whistleblowers are protected.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

External Policy Commitments

MGI continues to be a signatory of the UN Global Compact since 2020 and has published its last communication on progress on 7th October 2022. Due to an update of the reporting platform of UN Global Compact, updating of the communication of progress was paused for all UN Global Compact members. The next reporting period will be from 1st April 2024 to 31st July 2024 where we will also share our update. The report for the previous years can be found on the following website:

https://unglobalcompact.org/what-is-gc/participants/141879

Human Rights

The ten principles of the United Nations Global Compact are derived from the Universal Declaration of Human Rights, the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development and the United Nations Conventions against Corruption. As stated in MGI's Code of Conduct, MGI abides to the aforementioned declarations and does not condone or engage in, among others, discrimination, harassment, violations of privacy, slavery or servitude, restrictions on free assembly or unfair employment practices. MGI's approach to these topics is explained in detail in the communication on progress for the UN Global Compact.

Freedom of Association

As stated in MGI's Code of Conduct, the Company follows the leading principles of the Universal Declaration of Human Rights, the UNGC and the International Bill of Human Rights, which include the right to freedom of association. However, according to Article 9(1) of the GDPR, trade union membership is special personal data and may not be collected and processed without specific reason or consent of the data subject. Accordingly, MGI - Media and Games Invest SE does not keep any data on this subject.

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Anti-Corruption and Anti-Bribery

MGI maintains a zero-tolerance approach to bribery and corruption in all forms which is manifested in the Company's anti-bribery and anti-corruption policy. MGI and all its group companies commit to conducting business in accordance with all applicable laws and regulations. Our policy prohibits bribery of government officials as well as commercial bribery. Bribery is the offering, promising, authorizing, or providing of anything of value to a person in order to improperly obtain or retain business or an undue advantage in the conduct of business, such as the conclusion of a contract, the disclosure of confidential information or a waiver of penalty following a tax investigation. The policy is binding for all managers, employees, and contract workers of MGI and attributes a role model function to managers. Managers must inform their employees and contract workers about anti-bribery and anti-corruption and work towards a high level of awareness, honesty, integrity, and fairness in all daily dealings. Some staff members are obliged to complete anti-bribery and anti-corruption training. During the reporting period 2023, no instances of non-compliance with laws and regulations have been reported. We can also confirm that we did not have any incidents of corruption during 2023.

For transparency, please consider the table below to get an overview of our charitable contributions and sponsorships. These include amongst others the Prevent Cancer Foundation, Eden Reforestation Project or Outright Action International. Some of these contributions were attributed to the year 2022 but only paid in 2023, therefore they are included in the table below.

Charitable Contributions

Topic	Expenses
Direct or indirect political contributions	€ 0
Charitable contributions & sponsorship	€ 101,781.43

Media and Games Invest SE

Employee Data

INTRODUCTION 3

BOARD OF DIRECTORS REPORT 21

CORPORATE GOVERNANCE REPORT 33

SUSTAINABILITY REPORT 64

Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123

FINANCIAL STATEMENTS 124

AUDITOR'S REPORT 207

DEFINITIONS 213

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Workforce Breakdown

The following data should be considered together with the Chapter "Being a Great Team and an Inspiring Workplace". For better readability of the text in the Chapter, we have moved employee data to this separate section.

Employees

(Head count at the end of the reporting period)	Female	Male	Diverse	Total
Total 2023	**235**	**436**	**1**	**672**
Germany	116	159	1	**276**
USA	62	158	0	**220**
Spain	10	26	0	**36**
India	9	22	0	**31**
Rest of the World	38	71	0	**109**

Permanent Employees

(Head count at the end of the reporting period)	Female	Male	Diverse	Total
Total 2023	**231**	**431**	**1**	**663**
Germany	116	158	1	**275**
USA	62	157	0	**219**
Spain	10	26	0	**36**
India	9	22	0	**31**
Rest of the World	34	68	0	**102**

Temporary Employees

(Head count at the end of the reporting period)	Female	Male	Diverse	Total
Total 2023	**4**	**5**	**0**	**9**

Full-Time Employees

(Head count at the end of the reporting period)	Female	Male	Diverse	Total
Total 2023	**216**	**427**	**1**	**644**
Germany	103	152	1	**256**
USA	58	158	0	**216**
Spain	10	26	0	**36**
India	9	22	0	**31**
Rest of the World	36	69	0	**105**

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Part-Time Employees

(Head count at the end of the reporting period)	Female	Male	Diverse	Total
Total 2023	**19**	**9**	**0**	**28**

Workers Who Are Not Employees at the End of the Reporting Period (In Headcount)

In addition to our employees, MGI has employed 65 freelancers at the end of the reporting period, who are carrying out work for MGI on a monthly basis, amongst others, in the areas of product management, engineering, community management, game art and design, game engineering, recruitment and sales.

Employee Age Distribution in Headcount at The End of The Reporting Period

under 30	135	20.0%
30-50	475	70.7%
over 50	62	9.2%

Absentee Rate

Absentee Rate		FY 2023
Employees	% of total days scheduled	3.1%
Data coverage	% of employees	100%

Parental Leave

(Head count at the end of the reporting period)	Female	Male	Diverse
Total no. of employees entitled to paternal leave	235	436	1
Total no. of employees that took paternal leave	11	7	0
Total no. of employees returned to work after parental leave	6	7	0
Total no. of employees returned to work after paternal leave and still employed 12 months after	1	4	0
Return to work of employees that took paternal leave*	55%	100%	n.a.

* Total number of employees that did return to work after paternal leave / total number of employees due to return to work after taking paternal leave

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Share of Women in Management Positions

*Total 2023**	*233*
Share of women in total workforce	**35%** of total workforce
Share of women in all management positions, including senior and executive management	as **28%** of total management positions
Share of women in senior management positions	as **29%** of total senior management positions
Share of women in executive management positions	as **14%** of total top management positions

* Total women in the workforce in headcount at the end of the reporting period

New Hires

(Head count at the end of the reporting period)	Female	Male	Diverse	Total
Total 2023	**43**	**59**	**1**	**103**
Germany	**21**	**16**	**0**	**37**
under 30	9	5	0	**14**
30-50	11	11	0	**22**
over 50	1	0	0	**1**
Spain	**4**	**8**	**0**	**12**
under 30	1	3	0	**4**
30-50	3	5	0	**8**
over 50	0	0	0	**0**
USA	**10**	**17**	**1**	**28**
under 30	6	7	0	**13**
30-50	4	8	1	**13**
over 50	0	2	0	**2**
Rest of the World	**8**	**18**	**0**	**26**
under 30	5	6	0	**11**
30-50	1	11	0	**12**
over 50	2	1	0	**3**

* Employees that have joined the group through an acquisition are counted as new hires

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
HIGHLIGHTS FROM 2023 64
ESG OPERATING MODEL 67
STAKEHOLDER DIALOGUE 71
REPORT ON PROGRESS 72
EMPLOYEE DATA 101
EU TAXONOMY 106
GRI CONTENT INDEX 119
AUDITOR´S REPORT ON THE STATUTORY SUSTAINABILITY REPORT 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Annual Total Compensation Ratio

Annual total compensation for the organization's highest-paid individual to the mean annual total compensation for all employees (excl. the highest-paid individual) is: 10.4.

CEO-to-Employee Pay Ratio

	Total CEO Compensation
Total annual compensation of CEO	€ 719,899.92
Employee Compensation	**Mean Employee Compensation**
Ratio between the total annual compensation of the Chief Executive Officer and the mean or median employee compensation*	8.5

* CEO compensation divided by the mean or median employee compensation

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

EU Taxonomy

The EU Taxonomy Regulation is part of the EU's "Sustainable Finance Strategy". It is intended to help steer financial flows on the European capital markets towards sustainable investments (i.e. companies with "green economic activities").

Under the EU Taxonomy Regulation, reporting companies must identify and explain three key performance indicators (KPIs) that provide the addressee with a quantitative picture of the company's environmentally sustainable economic activities. This involves the following KPIs:

- **Turnover**: Turnover refers to revenue from the sale of products or the provision of services associated with economic activities classified as environmentally sustainable ("taxonomy-aligned")
- **CapEx and OpEx**:_In the share of capital expenditures and operating expenses to be disclosed, the expenses related to assets or processes associated with economic activities classified as environmentally sustainable must also be disclosed.

The basis for determining the KPIs are the taxonomy-eligible economic activities of a company. A taxonomy-eligible activity can be taxonomy aligned if it meets the following four conditions: contributes substantially to at least one environmental objective, does no significant harm to any of the other five environmental objectives, complies with minimum safeguards and complies with the technical screening criteria. Otherwise, the activity is taxonomy-eligible but not taxonomy-aligned.

During 2023, four environmental objectives (sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, protection and restoration of biodiversity and ecosystems) were added to the two existing objectives climate change mitigation and climate change adaptation. In the Delegated Regulation (EU) 2021/2139, the EU has defined for the two environmental objectives (climate change mitigation and climate change adaptation), the taxonomy-eligible economic activities and the associated technical screening criteria for each of these activities, that must be met in order for them to also be taxonomy-aligned. In order to ensure that the criteria considers all relevant sectors, the EU classification NACE, serves as a mapping tool for the classification of the environmentally sound economic activities.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

MGI Zero Reporting

MGI is an ad software platform with its own games content. MGI's business activities fall into the areas of digital advertising and online games. In the area of digital advertising MGI provides software that enables companies to buy and sell digital advertising space in an automated way. To make this process as efficient as possible, data is collected and processed. In the area of online games, MGI develops, licenses and operates online games for end users. In the NACE's, MGI's economic activities fall into sections J (Information and communication) and M (Provision of scientific and technical services). Within these sections, only group J-63.11 has been defined as an economic activity under the EU Tax. In the taxonomy regulation (EU) 2021/2139, the technical screening criteria for this economic activity are described under the activity number 8.1 (Data processing, hosting and related activities). It is an environmentally sustainable economic activity that serves the goal of climate change mitigation and is described as follows:

> *Storage, manipulation, management, movement, control, display, switching, interchange, transmission, or processing of data through data centers, including edge computing.*

MGI does not meet the technical screening criteria for this activity. Therefore, it is potentially taxonomy-eligible but not taxonomy-aligned.

However, according to MGI's interpretation of the EU Tax, there is another factor that must be present for an activity to be taxonomy-eligible. To be taxonomy-eligible, an activity must be, or be aimed at, generating external turnover.

Although MGI uses and operates data centers and collects and analyzes data, these activities do not generate external revenue or aim to generate external revenue. Rather, these are supporting activities.

MGI has other supporting activities that it does not classify as taxonomy-eligible for the aforementioned reason, based on its current interpretation of the EU tax. These include, for example, part of MGI's vehicle fleet for administrative staff and the rental of buildings.

- 6.5 Transportation by motorcycles, cars and light commercial vehicles
- 7.7 Acquisition and ownership of buildings

As described above, very few of the economic activities described in the EU Tax apply to MGI, namely 8.1, 6.5, 7.7. And for the reasons described, these activities are not taxonomy eligible for MGI. This reflects the overall relatively low impact of MGI's business activities on the environment. This is also consistent with the weighting in MSCI's ESG rating, for example. In its ESG rating for MGI (and the entire Media industry), MSCI weighs the environmental aspect at only 5% of the overall rating, while governance and social aspects make up the rest. However, MGI is actively working to reduce its carbon footprint and to operate in a sustainable manner. As MGI is a fast growing and dynamic company and there are still many uncertainties regarding the interpretation of the EU taxonomy regulation, MGI does not rule out the possibility of different results in the analysis in the following years.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
HIGHLIGHTS FROM 2023 64
ESG OPERATING MODEL 67
STAKEHOLDER DIALOGUE 71
REPORT ON PROGRESS 72
EMPLOYEE DATA 101
EU TAXONOMY 106
GRI CONTENT INDEX 119
AUDITOR´S REPORT ON THE STATUTORY SUSTAINABILITY REPORT 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Accounting Policies

For the purposes of reporting under Article 8 of the Taxonomy, turnover, capital expenditures ("Capex") and operating expenses ("Opex") are defined as follows.

Turnover

Total turnover corresponds to the net revenue as shown in the consolidated profit and loss in the financial statements 2023.

<u>CapEx</u>

Total CapEx corresponds to additions, including capitalized research and development costs, to balance sheet items property, plant and equipment, intangible assets, before any remeasurement, depreciation, amortization or impairment and excluding any changes in fair value. As specified in Note 6, 7 and 26 of the annual report of FY 2023 to the consolidated balance sheet, completed by additions / changes in IFRS 16 classified right of use assets as specified in Note 7 to the consolidated balance sheet.

OpEx

Total OpEx corresponds to non-capitalized research and development costs, office maintenance costs, short-term leases.

Share of eligible turnover, CapEx and OpEx

Turnover in accordance with the above definition and that is associated with eligible activities constitute the basis for calculating the share of eligible turnover. CapEx and OpEx in accordance with the above definitions and that is associated with eligible activities constitute the basis for calculating the share of eligible CapEx and OpEx.

Eligible economic activities

Identifying economic activities relevant for the Company has required interpretations of the Taxonomy as well as the Delegated Regulation. MGI's interpretation is that for an economic activity, as defined in the Taxonomy, to be considered eligible, the activity must:

- meet the description of an activity in the technical screening criteria as defined in the Delegated Regulations, and
- be, or be aimed at, generating external turnover,

Based on this interpretation and considering the new environmental objectives, as explained above there are no activities that have been identified as relevant for MGI. However, there still remains some uncertainty around how the Taxonomy should be applied, and MGI expects interpretations, as well as reporting practices, to evolve over time.

Turnover

Financial year 2023	Year			Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm) (h)									
Economic activites (1)	**Code (a) (2)**	**Turnover (3)**	**Proportion of Turnover, year 2023 (4)**	**Climate change mitigation (5)**	**Climate change adaption (6)**	**Water (7)**	**Pollution (8)**	**Circular Economy (9)**	**Biodiversity (10)**	**Climate change mitigation (11)**	**Climate change adaption (12)**	**Water (13)**	**Pollution (14)**	**Circular Economy (15)**	**Biodiversity and ecosystems (16)**	**Minimum safeguards (17)**	**Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, year 2022 (18)**	**Category (enabling activity or) (19)**	**Category (transitional activity) (20)**
Text		Currency	%	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y/N	Y/N	YN/	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmental sustainable activities (Taxonomy-aligned)																			
Turnover of environmental sustainable activities		€ 0k	**0%**	-	-	-	-	-	-	-	-	-	-	-	-	-	**0%**		

(Taxonomy-aligned (A.1)																	
A.2 Taxonomy-Eligible but not environmental sustainable activities (not Taxonomy-aligned activities) (g)																	
			EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)									
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	€ 0k	**0%**	**-**	**-**	**-**	**-**	**-**	**-**								**0%**	
A. Turnover of Taxonomy eligible activities (A.1+A.2)	€ 0k	**0%**	**-**	**-**	**-**	**-**	**-**	**-**								**0%**	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																	
Turnover of Taxonomy-non-eligible activities	€ 321,981k	**100%**															

TOTAL	€ 321,981k	**100%**

	Proportion of turnover/Total turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

CapEx

Financial year 2023	Year			Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm) (h)									
Economic activities (1)	**Code (a) (2)**	**CapEx (3)**	**Proportion of CapEx, year 2023 (4)**	**Climate change mitigation (5)**	**Climate change adaption (6)**	**Water (7)**	**Pollution (8)**	**Circular Economy (9)**	**Biodiversity (10)**	**Climate change mitigation (11)**	**Climate change adaption (12)**	**Water (13)**	**Pollution (14)**	**Circular Economy (15)**	**Biodiversity (16)**	**Minimum safeguards (17)**	**Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, year 2022(18)**	**Category (enabling activity or) (19)**	**Category (transitional activity) (20)**
Text		Currency	%	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y/N	Y/N	YN/	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmental sustainable activities (Taxonomy-aligned)																			

CapEx of environmental sustainable activities (Taxonomy-aligned (A.1)	€ 0k	**0%**	-	-	-	-	-	-	-	-	-	-	-	-	-	**0%**	
A.2 Taxonomy-Eligible but not environmental sustainable activities (not Taxonomy-aligned activities) (g)																	
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	€ 0k	**0%**	-	-	-	-	-	-								**0%**	
A. CapEx of Taxonomy eligible activities (A.1+A.2)	€ 0k	**0%**	-	-	-	-	-	-								**0%**	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																	
CapEx of Taxonomy-non-eligible activities	€ 93,508k	**100%**															
TOTAL	€ 93,508k	**100%**															

	Proportion of CapEx/Total CapEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

OpEx

Financial year 2023	Year			Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm) (h)									
Economic activites (1)	**Code (a) (2)**	**OpEx (3)**	**Proportion of OpEx, year 2023 (4)**	**Climate change mitigation (5)**	**Climate change adaption (6)**	**Water (7)**	**Pollution (8)**	**Cirular Economy (9)**	**Biodiversity (10)**	**Climate change mitigation (11)**	**Climate change adaption (12)**	**Water (13)**	**Pollution (14)**	**Circular Economy (15)**	**Biodiversity (16)**	**Minimum safeguards (17)**	**Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, year 2022 (18)**	**Category (enabling activity or) (19)**	**Category (transitional activity) (20)**
Text		Currency	%	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y/N	Y/N	YN/	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmental sustainable activities (Taxonomy-aligned)																			
OpEx of environmental sustainable activi-		€ 0k	**0%**	-	-	-	-	-	-	-	-	-	-	-	-	-	**0%**		

ties (Taxonomy-aligned (A.1)																		
A.2 Taxonomy-Eligible but not environmental sustainable activities (not Taxonomy-aligned activities) (g)																		
			EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)										
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	€ 0k	**0%**	-	-	-	-	-	-								0%		
A. OpEx of Taxonomy eligible activities (A.1+A.2)	€ 0k	**0%**	-	-	-	-	-	-										
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																		
OpEx of Taxonomy-non-eligible activities	€ 1,042.5k	**100%**																
TOTAL	€ 1,042.5k	**100%**																

	Proportion of OpEx/Total OpEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
HIGHLIGHTS FROM 2023 64
ESG OPERATING MODEL 67
STAKEHOLDER DIALOGUE 71
REPORT ON PROGRESS 72
EMPLOYEE DATA 101
EU TAXONOMY 106
GRI CONTENT INDEX 119
AUDITOR´S REPORT ON THE STATUTORY SUSTAINABILITY REPORT 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Template 1 Nuclear and fossil gas related activities

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds, or has exposures to research, development, demonstration, and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds, or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds, or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purpose of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4.	The undertaking carries out, funds, or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds, or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds, or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

GRI Content Index

GRI Standard	Reference	Comment
GRI 2: General Disclosures 2021		
The organization and its reporting practices		
2-1 Organizational details	p. 33; 136-138	
2-2 Entities included in the organization's sustainability reporting	p. 65; 136-138	
2-3 Reporting period, frequency and contact point	p. 65; 23, 223	
2-4 Restatements of information	p. 66	
2-5 External assurance	p. 66	
Activities and workers		
2-6 Activities, value chain and other business relationships	p. 12-15	
2-7 Employees	p. 101-102	
2-8 Workers who are not employees	p. 103	
Governance		
2-9 Governance structure and composition	p. 33;41-43;45	
2-10 Nomination and selection of the highest governance body	p. 40	
2-11 Chair of the highest governance body	p. 41	
2-12 Role of the highest governance body in overseeing the management of impacts	p. 68	
2-13 Delegation of responsibility for managing impacts	p. 68	
2-14 Role of the highest governance body in sustainability reporting	p. 68	
2-15 Conflicts of interest	p. 43	
2-16 Communication of critical concerns	p. 68;98	Information incomplete
2-17 Collective knowledge of the highest governance body	p. 47	
2-18 Evaluation of the performance of the highest governance body	p. 43	
2-19 Remuneration policies	p. 45	
2-20 Process to determine remuneration	p. 45	
2-21 Annual total compensation ratio	p. 105	
Strategy, policies and practices		
2-22 Statement on sustainable development strategy	p. 9	
2-23 Policy commitments	p. 98-100	
2-24 Embedding policy commitments	p. 98-100	
2-25 Processes to remediate negative impacts	p. 98	
2-26 Mechanisms for seeking advice and raising concerns	p. 98	
2-27 Compliance with laws and regulations	p. 99	
2-28 Membership associations		N/A

INTRODUCTION 3

BOARD OF DIRECTORS REPORT 21

CORPORATE GOVERNANCE REPORT 33

SUSTAINABILITY REPORT 64

Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123

FINANCIAL STATEMENTS 124

AUDITOR'S REPORT 207

DEFINITIONS 213

Stakeholder engagement		
2-29 Approach to stakeholder engagement	p. 71	
2-30 Collective bargaining agreements		Legal prohibition
GRI 3: Material Topics 2021		
Disclosures on material topics		
3-1 Process to determine material topics	p. 67-68	
3-2 List of material topics	p. 69-70	
3-3 Management of material topics	p. 71-100	included in each respective material topic
Specific Disclosures - GRI 200: Economic		
GRI 201: Economic Performance 2016		
201-1 Direct economic value generated and distributed	p. 4; 125-130	
GRI 205: Anti-corruption 2016		
205-2 Communication and training about anti-corruption policies and procedures	p. 100	
205-3 Confirmed incidents of corruption and actions taken	p. 100	
Specific Disclosures - GRI 300: Environmental		
GRI 305: Emissions 2016		
305-1 Direct (Scope 1) GHG emissions	p. 95-97	
305-2 Energy indirect (Scope 2) GHG emissions	p. 95-97	
305-3 Other indirect (Scope 3) GHG emissions	p. 95-97	
Specific Disclosures - GRI 400: Social		
GRI 401: Employment 2016		
401-1 New employee hires and employee turnover	p. 104	Information incomplete
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	p. 93	
401-3 Parental leave	p. 103	
GRI 403: Occupational Health and Safety 2018		
403-1 Occupational health and safety management system	p. 93	
403-3 Occupational health services	p. 93	
403-5 Worker training on occupational health and safety	p. 93	
403-6 Promotion of worker health	p. 93	
403-9 Work-related injuries	p. 93	
403-10 Work-related ill health		Legal prohibition

GRI 404: Training and Education 2016			
404-1 Average hours of training per year per employee	p. 92		
404-2 Programs for upgrading employee skills and transition assistance programs	p. 92		Information incomplete
404-3 Percentage of employees receiving regular performance and career development reviews	p. 92		
GRI 405: Diversity and Equal Opportunity 2016			
405-1 Diversity of governance bodies and employees	p. 47; 89; 102		
GRI 406: Non-discrimination 2016			
406-1 Incidents of discrimination and corrective actions taken	p. 90		
GRI 416: Customer Health and Safety 2016			
416-1 Assessment of the health and safety impacts of product and service categories	p. 72-80		
416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	p. 72		
GRI 417: Marketing and Labeling 2016			
417-1 Requirements for product and service information and labeling	p. 72		
417-2 Incidents of non-compliance concerning product and service information and labeling	p. 72		
417-3 Incidents of non-compliance concerning marketing communications	p. 72		
GRI 418: Customer Privacy 2016			
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	p. 85		

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Media and Games Invest SE

INTRODUCTION	3
BOARD OF DIRECTORS REPORT	**21**
CORPORATE GOVERNANCE REPORT	**33**
SUSTAINABILITY REPORT	**64**
Highlights from 2023	64
ESG Operating Model	67
Stakeholder Dialogue	71
Report on Progress	72
Employee Data	101
EU Taxonomy	106
GRI Content Index	119
Auditor´s report on the statutory sustainability report	123
FINANCIAL STATEMENTS	**124**
AUDITOR'S REPORT	**207**
DEFINITIONS	**213**

APPROVED BY THE BOARD OF DIRECTORS ON 18TH APRIL 2024 AND SIGNED ON ITS BEHALF BY:

TOBIAS M. WEITZEL	MARY ANN HALFORD	ELIZABETH PARA
CHAIRMAN OF THE BOARD	MEMBER OF THE BOARD	MEMBER OF THE BOARD
JOHAN ROSLUND	FRANCA RUHWEDEL	REMCO WESTERMANN
MEMBER OF THE BOARD	MEMBER OF THE BOARD	MEMBER OF THE BOARD

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
Highlights from 2023 64
ESG Operating Model 67
Stakeholder Dialogue 71
Report on Progress 72
Employee Data 101
EU Taxonomy 106
GRI Content Index 119
Auditor´s report on the statutory sustainability report 123
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213

Auditor´s report on the statutory sustainability report

To the general meeting of the shareholders in MGI - Media and Games Invest SE, corporate identity number 517100-0143.

Engagement and responsibility

It is the board of directors who is responsible for the statutory sustainability report for the year 2023 on pages 64–122 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's standard RevR 12 The auditor´s opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is substantially different and less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

Opinion

A statutory sustainability report has been prepared.

Stockholm April 18 2024

Deloitte AB

Christian Lundin

Authorized Public Accountant

Media and Games Invest SE

INTRODUCTION	3
BOARD OF DIRECTORS REPORT	21
CORPORATE GOVERNANCE REPORT	33
SUSTAINABILITY REPORT	64
FINANCIAL STATEMENTS	124
Financial Statements – Group	125
Notes – Group	131
Financial Statements – Parent Company	193
NOTES PARENT COMPANY	199
AUDITOR'S REPORT	207
DEFINITIONS	213

FINANCIAL STATEMENTS

Financial Statements – Group

Consolidated Statement of Financial Position	125
Consolidated Income Statement	127
Consolidated Statement of Comprehensive Income	128
Consolidated Statement of Changes in Equity	129
Consolidated Statement of Cash Flows	130

Notes

Note 1	General Information	131
Note 2	Significant Accounting Policies	132
Note 3	Acquisition Of Subsidiaries	159
Note 4	Interests In Subsidiaries (Nci)	160
Note 5	Segment Information	161
Note 6	Intangible Assets	166
Note 7	Property, Plant and Equipment	168
Note 8	Deferred Tax Assets	169
Note 9	Financial Assets	170
Note 10	Trade Receivables	171
Note 11	Other Current Non-Financial Assets	172
Note 12	Cash And Cash Equivalents	172
Note 13	Non-Cash Transactions	172
Note 14	Shareholders' Equity	173
Note 15	Financial Liabilities	175
Note 16	Other Non-Financial Liabilities – Current	177
Note 17	Reporting On Financial Instruments	178
Note 18	Bond	182
Note 19	Leases	184
Note 20	Deferred Tax Liabilities	185
Note 21	Current Provisions and Accruals	185
Note 22	Trade Payables	185
Note 23	Provisions For Disputes and Damages	185
Note 24	Other Financial Commitments	185
Note 25	Revenues	185
Note 26	Own Work Capitalized	187
Note 27	Other Operating Income	187
Note 28	Purchased Services	187
Note 29	Employee Benefit Expense	187
Note 30	Other Operating Expenses	188
Note 31	Depreciation And Amortization	188
Note 32	Financial Result	188
Note 33	Income Taxes	188
Note 34	Earnings Per Share	190
Note 35	Business Transactions with Related Parties	190
Note 36	Employees	191
Note 37	Auditors' Fees for Annual Financial Statements	191
Note 38	Governing Board of The Company and Remuneration	191
Note 39	Events After The End Of Reporting Period	192

Financial Statements - Parent Company

Parents Company's Statement of Financial Position	193
Parents Company's Income Statement	195
Parents Company's Statement of Comprehensive Income	196
Parents Company's Statement of Changes in Equity	197
Parents Company' Statement of Cash Flow	198

Notes

Note 1	Significant Accounting Policies	199
Note 2	Revenue	200
Note 3	Other Operating Income	200
Note 4	Other Operating Expenses	200
Note 5	Financial Result	200
Note 6	Income Taxes	200
Note 7	Investment In Subsidiaries	201
Note 8	Non-Current Financial Assets	201
Note 9	Receivables	201
Note 10	Cash And Cash Equivalents	202
Note 11	Equity Shareholders' Equity	202
Note 12	Financial Liabilities	203
Note 13	Bond	205
Note 14	Current Provisions and Accruals	205
Note 15	Trade Payables	205
Note 16	Employees	205
Note 17	Proposed Appropriation of Profit	205

Media and Games Invest SE

INTRODUCTION	3
BOARD OF DIRECTORS REPORT	21
CORPORATE GOVERNANCE REPORT	33
SUSTAINABILITY REPORT	64
FINANCIAL STATEMENTS	124
Financial Statements – Group	125
Notes – Group	131
Financial Statements – Parent Company	193
NOTES PARENT COMPANY	199
AUDITOR'S REPORT	207
DEFINITIONS	213

Financial Statements – Group

Consolidated Statement of Financial Position

in €k	Notes	2023	2022
Intangible assets	6	796,607	791,284
Goodwill		578,028	587,739
Internally generated intangible assets		98,366	72,939
Other intangible assets		120,214	130,606
Property, plant, and equipment	7	3,963	5,522
Other non-current financial assets	9	2,439	20,180
Deferred tax assets	8	10,506	6,651
Total non-current assets		**813,516**	**823,637**
Trade receivables	10	32,281	52,229
Other receivables		39,493	18,801
Current receivables from income tax		820	744
Other current financial assets	11	32,970	14,489
Other current non-financial assets	11	5,703	3,568
Cash and cash equivalents	12	121,740	149,992
Total current assets		**193,513**	**221,022**
Total shareholders' assets		**1,007,028**	**1,044,659**

Note: Numbers may not add up due to rounding.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

Consolidated Statement of Financial Position

in €k	Notes	2023	2022
Common stock		159,249	159,249
Share premium		103,518	103,518
Capital reserves		56,516	55,119
Other reserves		-17,696	-11,596
Difference from currency translation		2,595	15,303
Accumulated retained earnings		48,093	1,362
Equity attributable to shareholders of the parent company	**14**	**352,275**	**322,956**
Non-controlling interest		182	-1,211
Total shareholders' equity		**352,456**	**321,745**
Bonds	18	348,038	389,386
Other non-current financial liabilities	15	36,881	89,618
Deferred tax liabilities	20	28,885	24,439
Total non-current liabilities		**413,804**	**503,443**
Current provisions and accruals	21	61,656	65,225
Liabilities due to banks		32,000	31,903
Trade payables	22	80,335	68,711
Other current financial liabilities	15	45,257	32,290
Other non-financial liabilities	16	21,521	21,342
Total current liabilities		**240,768**	**219,471**
Total shareholders' equity and liabilities		**1,007,028**	**1,044,659**

Note: Numbers may not add up due to rounding.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

Consolidated Income Statement

in €k	Notes	2023	2022
Revenue	25	321,981	324,444
Other own work capitalized	26	25,954	28,928
Other operating income	27	71,447	23,206
Purchased services	28	-180,563	-188,618
Employee benefits expenses	29	-77,975	-76,207
Wages and salaries		-70,908	-69,782
Social security		-7,068	-6,425
Other operating expenses	30	-32,386	-27,000
Earnings before interest, taxes, depreciation, and amortization (EBITDA)		**128,458**	**84,753**
Depreciation and amortization	31	-29,456	-58,135
Earnings before interest and taxes (EBIT)		**99,002**	**26,618**
Financial expense	32	-55,502	-38,308
Financial income	32	5,436	349
Earnings before taxes (EBT)		**48,936**	**-11,341**
Income taxes	33	-2,718	-9,064
Operating Result, net of income tax		**46,218**	**-20,405**
Attributable to:			
Owners of the Company		46,731	-20,317
Non-controlling interest		-513	-88
Earnings per share	34		
Undiluted		0.29	-0.13
Diluted		0.26	-0.13

Note: Numbers may not add up due to rounding.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

Consolidated Statement of Comprehensive Income

in €k	Notes	2023	2022
Consolidated (loss)/profit		**46,218**	**-20,405**
Items that will be reclassified subsequently to profit or loss under certain conditions:			
Exchange differences on translating foreign operations		-12,708	11,191
Gain of hedging instruments		-5,969	545
Items that will not be reclassified to profit or loss:			
Loss of financial assets		-132	-6,392
Other comprehensive income		**-18,809**	**5,345**
Total comprehensive (loss)/income		**27,409**	**-15,061**
Attributable to:			
Owners of the Company		**27,922**	**-14,972**
Non-controlling interest		**-513**	**-88**

Note: Numbers may not add up due to rounding

INTRODUCTION 3

BOARD OF DIRECTORS REPORT 21

CORPORATE GOVERNANCE REPORT 33

SUSTAINABILITY REPORT 64

FINANCIAL STATEMENTS 124

FINANCIAL STATEMENTS – GROUP 125

NOTES – GROUP 131

FINANCIAL STATEMENTS – PARENT COMPANY 193

NOTES PARENT COMPANY 199

AUDITOR'S REPORT 207

DEFINITIONS 213

Consolidated Statement of Changes in Equity

	Common stock		Share Pre-mium	Capital reser-ves	Re-tained earnings incl. Profit of the year	Amounts recog-nised di-rectly in equity	Sharehold-ers' equity attributable to owners of the parent	Non-con-trolling interest	Total share-holders' equity
	Shares	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount
	thousands	€k	€k	€k	€k	€k	**€k**	€k	**€k**
Balance at 1st January 2022	149.680	**149.680**	**84.571**	**53.141**	**21.678**	**-1.637**	**307.434**	**59**	**307.492**
Consolidated profit	0	0	0	0	-20.317		-20.317	-88	-20.405
Other comprehensive income	0	0	0	0		5.345	5.345		5.345
Total comprehensive income					**-20.317**	**5.345**	**-14.972**	**-88**	**-15.061**
Capital increases	9.569	9.569	18.947				28.516		28.516
Disposal of subsidiaries							0		0
Acquisition of subsidiaries							0	0	0
Addition of non-controlling interests due to acquisition of projects							0	-1.182	-1.182
Addition of non-controlling interests due to disposal of subsidiaries							0	0	0
Disposal of non-controlling interests due to disposal of subsidiaries							0	0	0
Changes in scope of consolidation							0		0
Other Equity reserves regarding IFRS 2				1.978			1.978		1.978
Other Equity reserves							0		0
Balance at 31st December 2022	**159.249**	**159.249**	**103.518**	**55.119**	**1.362**	**3.708**	**322.956**	**-1.211**	**321.745**
Balance at 1st January 2023	**159.249**	**159.249**	**103.518**	**55.119**	**1.362**	**3.708**	**322.956**	**-1.211**	**321.745**
Consolidated profit					46.731		46.731	-513	46.218
Other comprehensive income						-18.809	-18.809	9	-18.800
Total comprehensive income					**46.731**	**-18.809**	**27.922**	**-504**	**27.418**
Capital increases							0		0
Disposal of subsidiaries							0		0
Acquisition of subsidiaries							0	118	118
Addition of non-controlling interests due to acquisition of projects							0	1.082	1.082
Addition of non-controlling interests due to disposal of subsidiaries							0		0
Disposal of non-controlling interests due to disposal of subsidiaries							0	697	697
Changes in scope of consolidation							0		0
Other Equity reserves regarding IFRS 2				1.396			1.396		1.396
Other Equity reserves							0		0
Proceeds from an unregistered capital increase							0		0
Balance at 31st December 2023	**159.249**	**159.249**	**103.518**	**56.516**	**48.093**	**-15.101**	**352.274**	**183**	**352.457**

Note: Numbers may not add up due to rounding.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

Consolidated Statement of Cash Flows

in €k	FY 2023	FY 2022
Consolidated net result	46.218	-20.405
Depreciation and amortization	29.456	58.135
Non-cash income/expenses	-66.403	1.907
Booked income taxes	439	5.702
Booked financial expenses	50.065	37.959
Income tax paid	-2.379	-4.362
Cash flow from operating activities before changes in working capital	**57.397**	**78.936**
Net change in working capital	*12.051*	*55.284*
Cash flow from operating activities	**69.448**	**134.220**
Payments made for investments in intangible assets	-46.027	-33.265
Deposits/Payments made for investments in tangible assets	-508	-5.385
Deposits/Payments for other assets	17.609	-557
Deposits for the acquisition of business units	0	11.022
Payments made for the acquisition of business units	-6.768	-148.487
Cash flow from investing activities	**-35.693**	**-176.672**
New share issue	0	28.517
Repayment of financial loans	-2.991	-50
Deposits from the issue of bonds	0	42.733
Repayment of bonds	-8.162	0
Net change in currency reserve and hedging instruments	0	-25.301
Interest paid	-47.972	-33.610
Cash flow from financing activities	**-59.125**	**12.288**
Cash flow for the period	-25.370	-30.164
Cash and cash equivalents at the beginning of the period	149.992	180.156
Exchange rate differences in cash and cash equivalents	-2.882	0
Cash and cash equivalents at the end of the period	**121.740**	**149.992**

Note: Numbers may not add up due to rounding.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
Financial Statements – Group 125
Notes – Group 131
Financial Statements – Parent Company 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

Notes – Group

1 GENERAL INFORMATION

MGI - Media and Games Invest SE ("MGI", "the Company" or "the Parent Company") is a public company registered in accordance with the corporate law of the European Union (EU) originally incorporated on 21st March 2011 and changed to SE effective from 25th May 2021 and effective 2nd January 2023 relocated from Malta to Stockholm, Sweden with registration number 517100-0143 and registered office address at Stureplan 6, 11435 Stockholm, Sweden. As of 31st December 2023, Bodhivas GmbH, Duesseldorf, owns 27.7% of MGI. The ownership of the Company's share capital and voting rights related to such holdings are such that no particular individual or identifiable group of individuals could exercise ultimate control over the Company. The Company's shares are listed in the Scale Segment of Frankfurt Stock Exchange (XETRA) in Germany and on NASDAQ First North Premier Growth Market in Sweden. The Company has three senior secured bonds that are listed on NASDAQ Stockholm. The senior secured bond (ISIN: SE0015194527) was issued on 13th November 2020 with an initial amount of € 80m and a framework of € 350m. Further On 21st June 2022, MGI, following a book building process, successfully placed new senior secured floating rate callable bonds (ISIN SE0018042277) with an initial amount of € 175m and a framework of € 300m. The third senior secured bond (ISIN: SE0019892241) was issued on 24th March 2023 with an initial amount of € 225m and a framework of € 300m (the "Existing Bonds").

The Company offered a partial buy-back to the holders of MGI's outstanding senior secured floating rate bonds maturing on 27th November 2024 with ISIN SE0015194527 (the "Existing Bonds") in connection with the Bond Issue (the "Buy-Back"). Existing Bonds in an aggregate nominal amount of € 115,000,000 and € 193,100,000 was repurchased by the Company in the Buybacks. MGI focuses on a 'Buy, Integrate, Build and Improve' strategy through organic growth and acquisitions. New and proven technologies are actively being implemented to create efficiency improvements and competitive advantages. Furthermore, MGI acquires, holds, and sells other investments (e.g. shares, stocks, bonds, securities, and other assets of companies as well as investments in funds and assets) that support the above stated business purpose, and as deemed appropriate by the Board of Directors. MGI operates a fast-growing, profitable ad-software platform that matches global advertiser demand with publisher ad-supply while improving results through first party data from own games. MGI's main operational presence is in North America and Europe. Through investments in organic growth and innovation, as well as targeted M&A, MGI has built a one-stop shop for programmatic advertising, enabling companies to buy and sell ad space across all digital devices (mobile apps, web, connected TV and digital out of home).

Going Concern: The directors of the MGI Group have, at the time of approving the financial statements, a reasonable expectation that the group have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
Financial Statements – Group 125
Notes – Group 131
Financial Statements – Parent Company 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

The consolidated financial statements of the MGI - Media and Games SE and its subsidiaries have been prepared in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB) and in consideration of the Interpretation of the IFRS Interpretations Committee (IFRIC) as adopted by the EU. The Group also applies the Swedish Financial Reporting Board recommendation RFR 1 Supplementary Accounting Rules for groups which specifies additional disclosures required under the Swedish Annual Accounts Act.

The Group's financial year begins on 1st January and ends on 31 December of the calendar year. The functional currency and reporting currency of the Group is the Euro. Unless otherwise stated, all amounts are presented in thousand Euros (€k).

In accordance with IAS 1 (Presentation of Financial Statements), the consolidated financial statements contain a balance sheet as at the reporting date, an income statement, a statement of comprehensive income, a statement of changes in equity, and a statement of cash flows in accordance with the principles of IAS 7 (Statement of Cash Flows). The segment reporting is prepared in accordance with the regulations of IFRS 8 (Operating Segments).

The assets and liabilities are classified as current if they are anticipated to be implemented or compensated within twelve months after the reference date for the statement of financial position. The consolidated financial statement is prepared under the historical costs basis unless otherwise mentioned in the relevant accounting policies below.

In order to improve the clarity of the depiction, various items of the consolidated statement of financial position and the consolidated statement of profit or loss are shown in summarized form. These items are shown and explained separately in the notes to the consolidated financial statements.

The consolidated financial statements were prepared based on the historical acquisition or production costs. This does not apply to certain financial instruments that were reported at fair value on the statement of financial position date. A corresponding explanation is given in the context of the respective accounting and valuation methods. Historical acquisition or production costs are based on the fair value of the consideration made in exchange for the asset.

The preparation of the consolidated financial statements requires management to exercise decisions and estimates that relate to the application of accounting methods and the reported amounts of the assets, liabilities, income, and expenses. Actual results can deviate from these estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 2.22. Estimates and the underlying assumptions are continually reviewed. Revisions of estimates are recorded prospectively.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

2.2 New and Changed Standards and Interpretations That Are Applied for The First Time in The Financial Year 2023

The following new and amended IFRSs are required to be applied for the first time in the financial year beginning on 1st January 2023:

- Insurance Contracts (IFRS 17) Annual improvements to IFRS Standards 2018-2020
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)
- Definition of Accounting Estimate (Amendments to IAS 8)
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)
- Income Taxes— International Tax Reform—Pillar Two Model Rules (Amendments to IAS 12)

The initial application of the adopted IFRSs has no significant impact on the Group and the presentation of the consolidated financial statements.

2.3 Standards, Interpretations and Changes to Published Standards Which Were Issued but Not Yet Effective

In its consolidated financial statements 2023, the Group did not early adopt the following accounting standards, which have been issued by the IASB, but are not yet effective.

Standard	Time of application	Expected effects
Classification of Liabilities as Current or Non-current (Amendments to IAS 1)	01/01/2024	To be analysed
Non-current Liabilities with Covenants (Amendments to IAS 1)	01/01/2024	To be analysed
Lease Liability in a Sale and Leaseback – (Amendments to IFRS 16)	01/01/2024	n/a
Supplier finance arrangements – Amendments to IAS 7 and IFRS (Definition of Accounting Estimate (Amendments to IAS 8)	01/01/2024	n/a
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	Available for optional adoption/ effective date deferred indefinitely	To be analysed

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
Financial Statements – Group 125
Notes – Group 131
Financial Statements – Parent Company 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

2.4 Consolidation

2.4.1 Subsidiaries

The consolidated financial statements include the financial statements of the parent company and the companies it controls (the "Group"), including structured companies (its subsidiaries). The parent company gains control if:

- it can exercise power of disposal over the associated company.
- it is exposed to fluctuating returns from its participation; and
- it can influence returns based on its power of disposal.

The parent company will reassess whether it is an associated company or not if facts and circumstances indicate that one or more of the above-mentioned control criteria have changed.

If the parent company does not have a majority of voting rights, it still controls the associated company if it has the practical ability to determine the relevant activities of the investment company unilaterally through its existing voting rights. When assessing whether its existing voting rights are sufficient for the power of determination, the parent company takes into account all facts and circumstances, including:

- the scope of voting rights held by the parent company in relation to the scope and distribution of the voting rights of other voting rights holders;
- potential voting rights of the parent company, other voting rights holders and other parties;
- rights from other contractual agreements; and
- additional facts and circumstances that indicate that the parent company has or does not have the ability to determine the relevant activities at the times when decisions must be taken, taking into consideration the voting behavior at shareholders' meetings.

A subsidiary is included in the consolidated financial statements from the time when the parent company acquires the control over the subsidiary until the time when the control by the parent company ends. The results of the subsidiaries acquired or sold in the course of the year are recorded in the consolidated statement of profit or loss and other comprehensive income from the actual date of acquisition or until the actual date of disposal.

The profit or loss and any component of the other comprehensive income must be attributed to the shareholders of the parent company and the non-controlling shareholders. This applies even if this leads to the shares of the non-controlling shareholders having a negative balance.

If necessary, the annual financial statements of the subsidiaries are adjusted to align the accounting and valuation methods to the methods used in the Group.

All intercompany assets, liabilities, equity, income, expenses, and cash flows in connection with business transactions between group companies are fully eliminated as part of the consolidation.

Changes in the Group's stake in existing subsidiaries

Changes in the Group's stake in subsidiaries that do not lead to a loss of the control over that subsidiary are accounted for as an equity transaction. The carrying amounts of the shares held by the

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
Financial Statements – Group 125
Notes – Group 131
Financial Statements – Parent Company 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

Group and the non-controlling interest are adjusted in such a way that they reflect the changes in the stakes in the subsidiaries. Any difference between the amount by which the non-controlling shares are adjusted and the fair value of the consideration paid or received is directly recognized in equity and allocated to the shareholders of the parent company.

If the parent company loses control of a subsidiary, the gain or loss received on deconsolidation is recognized in profit or loss. This is determined from the difference between the total amount of the fair value of the consideration received and the fair value of retained shares and the book value of the assets (including goodwill), the liabilities of the subsidiary company and all non-controlling interest.

All amounts reported in other comprehensive income in connection with this subsidiary are accounted for as in the case of a sale of assets, i.e. reclassification into the consolidated income statement or direct transfer into retained earnings.

If the parent company retains shares in the previous subsidiary, they are recognized at the fair value determined at the time of the loss of control. This value represents the acquisition costs of the shares, which depend on the subsequent degree of control in accordance with IFRS 9 Financial instruments or according to the provisions for associated companies or joint ventures.

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

2.4.2 Scope of Consolidation

The scope of consolidation as of 31 December 2023 comprises the following:

Fully Consolidated Entities	Registered Office	Capital Share 2023 in %	Capital Share 2022 in %
MGI – Media and Games Invest SE (formerly Media and Games Invest SE)	Stockholm, Sweden		
Media and Games Services AG	Zug, Switzerland	100%	100%
gamigo Holding GmbH (formerly blockescence DLT solutions GmbH)	Berlin, Germany	100%	100%
gamigo Holding GmbH itself holds the following ownership interest in the following companies:			
gamigo Spain Holding, S.L.	Sevilla, Spain	100%	100%
gamigo Spain Holding, S.L. itself holds the following ownership interest in the following company:			
AxesInMotion, S.L.	Sevilla, Spain	100%	100%
Samarion GmbH	Düsseldorf, Germany	100%	100%
Vajrapani Ltd.	Valletta, Malta	100%	100%
Verve Holding GmbH (formerly ME mobile GmbH)	Berlin, Germany	100%	100%
Verve Group Holding GmbH itself holds the following ownership interest in the following companies:			
Verve Group Europe GmbH	Berlin, Germany	100%	100%
Verve Ad Solutions GmbH	Berlin, Germany	100%	100%
Verve Group China WFOE	Shanghai, China	100%	100%
VERVE GROUP LATAM Veiculaçao de Publicidade na Internet LTDA. (Verve Group Latam)	Sao Paulo, Brazil	100%	100%
Match2One AB	Stockholm, Sweden	100%	100%
Dataseat Ltd.	London, United Kingdom	100%	100%
Verve US Holdco Inc.	Wilmington, DE, USA	100%	100%
VerMedia India Private Ltd. (formerly AppLift India Technologies Private Ltd.)	Bangalore, India	100%	100%
Smaato India Private Limited	Telengana, India	40%	0%
Shanghai Yi Qiu Business Management Co. Ltd.	Shanghai, China	99.99%	99.99%
Shanghai Yi Qiu Business Management Co. Ltd. Itself holds the following ownership interest in the following company:			
Smaato Holding GmbH	Hamburg, Germany	100%	100%
Verve Group Europe GmbH itself holds the following ownership interest in the following companies:			
Smaato India Private Limited	Telengana, India	40%	0%
Shanghai Yi Qiu Business Management Co. Ltd. And Smaato Holding GmbH themselves hold the following ownership interest in the following company:			
Smaato Inc.	San Francisco, CA, USA	100%	100%
Smaato Inc. itself holds the following ownership interest in the following companies:			
Smaato Pte. Ltd.	Singapore, Singapore	100%	100%
PT Portal Bursa Digital	Indonesia	0%	50%
Smaato Pte. Ltd. Itself holds the following ownership interest in the following company:			

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

Yu Guang Information Technologies (Shanghai)Co. Ltd.	Shanghai, China	100%	100%
gamigo AG	Hamburg, Germany	99.96%	99.96%
gamigo AG itself holds the following ownership interest in the following companies:			
gamigo Advertising GmbH	Hamburg, Germany	100%	100%
gamigo Publishing GmbH	Hamburg, Germany	100%	100%
gamigo Publishing GmbH itself holds the following ownership interest in the following companies:			
adspree media GmbH	Berlin, Germany	100%	100%
gamigo Portals GmbH	Hamburg, Germany	100%	100%
Just Digital GmbH	Berlin, Germany	100%	100%
gamigo Innovation Services GmbH (formerly Mediakraft Networks GmbH)	Hamburg, Germany	100%	100%
Verve Group Turkey Y.A.H.S. (formerly Mediakraft Turkey Yayin Hizmetleri A.S.)	Istanbul, Turkey	100%	100%
Kings Holding Inc.	Austin, TX, USA	100%	100%
Kings Holding Inc. itself holds the following ownership interest in the following company:			
KingsIsle Entertainment Incorporated	Austin, TX, USA	100%	100%
Verve Group Inc.	Carlsbad, CA, USA	100%	100%
VGI CTV Inc.	Lewes, DE, USA	100%	100%
gamigo US Inc.	Dover, DE, USA	100%	100%
gamigo Inc.	Wilmington, DE, USA	100%	100%
Platform 161 Holding B.V.	Amsterdam, Netherlands	100%	100%
Platform 161 Holding B.V. itself holds the following ownership interest in the following companies:			
Platform 161 LLC	New York, NY, USA	100%	100%
ME digital GmbH	Berlin, Germany	100%	100%
ME digital GmbH itself holds the following ownership interest in the following companies:			
MGI Corporate GmbH	Berlin, Germany	100%	100%
Media Elements digital España, S.L.U.	Barcelona, Spain	0%	100%
Media Elements digital Espana itself holds the following ownership interest in the following companies:			
ME DIGITAL ENTRETENIMENTO DO BRASIL LTDA	Sao Paulo, Brazil	0%	100%

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

The following companies were not consolidated due to their subordinate importance for the Group.

Company	Registered office	Capital share % 31/12/2023	Capital share % 31/12/2022
highdigit GmbH	Münster, Germany	100%	100%
gamigo CA Inc.	Brunswick, Canada	100%	100%

Verve AR Services LLC, Wilmington (DE), USA, founded in 2022 and a capital share of the Group of 100%, is not consolidated following the rules of IFRS 10. Refer to Note 2.22 h).

The following companies have been merged in the financial year 2023:

Company	**Merged with**
ME Digital Brasil Ltda Sao Paulo, Brazil	Verve Group Brazil Ltda. Sao Paulo, Brazil

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

2.5 Foreign Currency

The separate financial statements of the MGI Group's foreign subsidiaries are translated into Euro pursuant to IAS 21 (The Effects of Changes in Foreign Exchange Rates) using the concept of functional currency. When preparing the financial statements of each individual group company, business transactions that are denominated in currencies other than the functional currency of the group company (foreign currencies) are converted at the rates valid on the date of the transaction. At the end of the reporting period, monetary items in foreign currency are converted using the current exchange rate on the financial reporting date. Non-monetary items in foreign currency that are measured at fair value are converted using the exchange rates that were valid at the time the fair value was determined. Non-monetary items valued at acquisition or production cost are converted using the exchange rate at the time of initial recognition.

Translation differences from monetary items are recognized in the statement of comprehensive income in the period in which they occur. Exceptions are:

- Translation differences from borrowings denominated in a foreign currency that occur in the creation process for assets intended for productive use. These are added to the production costs if they represent adjustments to the interest expense from these borrowings denominated in foreign currency.
- Translation differences from transactions that were incurred to hedge certain foreign currency risks.
- Translation differences from monetary items to be received or paid from/to a foreign business operation, the fulfilment of which is neither planned nor likely and which are therefore part of the net investment in this foreign business operation, which are initially recognized in other comprehensive income and are reclassified on disposal from equity to profit and loss.

To prepare the consolidated financial statements, the assets and liabilities of the Group's foreign operations are converted into Euros (€) using the exchange rates valid on the reporting date. Income and expenses are translated at the average exchange rate for the period unless the exchange rates during the period were subject to strong fluctuations. In this case, the exchange rates apply at the time of the transaction. Translation differences from the translation of foreign operations in the group currency are recognized in other comprehensive income and accumulated in equity.

When a foreign business operation is sold, all accumulated translation differences that are attributable to the Group from this business operation are reclassified to the statement of comprehensive income. The following transactions are considered to be a sale of a foreign business operation:

- the sale of the entire group share in a foreign business operation,
- a partial sale with loss of the control over a foreign subsidiary or
- a partial sale of a participation in a joint agreement or an associated company which includes a foreign business operation.

If parts of a subsidiary, which includes a foreign business operation, are sold without a loss of the control, the share in the amount of the translation differences attributable to the sold part is attributed to the non-controlling interest from the date of disposal. In the case of

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

a partial sale of shares in associated companies or joint agreements without a change of status, the corresponding share in the amount of the translation differences is reclassified to income.

Goodwill arising from the acquisition of a foreign business operation and adjustments to the fair value of the identifiable assets and liabilities are treated as assets or liabilities of the foreign business operation and converted at the rate on the financial reporting date. Resulting translation differences are recorded in the reserve from currency translation.

The following rates were used to convert foreign operations with a functional currency other than Euro:

Currency	Assets and Liabilities Closing rate on 31/12		Income and Expenses Average rate	
	2023	2022	2023	2022
US dollar (USD)	1.1050	1.0667	1.0903	1.0589
Turkish lira (TRY)	32.6531	19.9649	31.7243	17.3844
British Pound (GBP)	0.8691	0.8869	0.8617	0.8695
Brazil real (BRL)	5.3618	5.6386	5.3428	5.4428
Indian rupee (INR)	91.9045	88.1710	90.8009	82.7441
Chinese yuan (CNY)	7.8509	7.3582	7.7870	7.3859
Swiss franc (CHF)	0.9260	0.9847	0.9441	1.0052
Singapore dollar (SGD)	1.4591	1.4300	1.4533	1.4520
Swedish crowns (SEK)	11.0960	11.1218	11.2028	10.6225
Indonesian rupiah (IDR)	17,079.71	16,519.82	16,910.335	16,503.296

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

2.6 Revenue Recognition

The Group generates revenue from the income from online, console, advertising, and mobile games (including casual games, roleplay games and strategy games) as well as from media services (platform and advertising services).

In accordance with IFRS 15 (Revenue from Contracts with Customers) revenue is measured in the amount of consideration that the Group is expected to receive from a contract with a customer. Revenues from games are recorded as soon as control transfers of in-game virtual items (point in time) or service (over the service period) to a customer. . No revenue is recognized if fundamental risks exist about the receipt of the service in return or the usage right cannot be exercised by the customer for reasons for which he is not responsible.

Media service sales refer to media and platform services for business customers. The service is called up by the customer using a service contract. The revenue is considered to be realized as soon the marketing services have been provided for the corresponding period and an invoice has been sent to the customer.

If the provision of usage rights includes a determinable sub-amount for several or consecutive services, the revenues incurred on this are accrued and recognized over the term of the usage right with recognition in the consolidated statement of profit or loss. The recognition is usually done in accordance with the provision of the service.

Revenue is generally recognized after deduction of sales taxes and other taxes as well as after deduction of reductions in revenues such as bonuses or discounts at the fair value to be applied of the service in return received or to be received. Revenue is also shown as deferred revenue/income due to the fact that revenue is realized in upcoming periods, but the company has already received the payment. Contract liabilities resulting from prepayments of customers are recognized on the balance sheet as Deferred Income/Revenue, refer to Note 16 and 25.

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

2.7 Income Taxes

Income tax expense represents the total of current tax expense and deferred taxes. Current or deferred taxes are recognized in the consolidated statement of profit or loss, unless they are related to items that are recognized either in other comprehensive income or directly in equity. In this case, current and deferred taxes are also recognized in other comprehensive income or directly in equity. If current or deferred taxes result from the initial accounting for a business combination, the tax effects are included in the accounting for the business combination.

2.7.1 Current taxes

The current tax expense is determined on the basis of the taxable income for the year. Taxable income differs from the net income from the consolidated statement of profit or loss due to expenses and income that are taxable or tax deductible in later years or never. The Group's liability for current taxes is calculated on the basis of the applicable or soon to be applicable tax rates.

2.7.2 Deferred taxes

Deferred tax assets and liabilities are recognized in accordance with the balance sheet liability method (IAS 12 Income Taxes). Deferred taxes are recognized for the differences between the carrying amount of assets and liabilities in the consolidated financial statements and the corresponding tax base in the calculation of taxable income. Deferred tax liabilities are generally recognized for all taxable temporary differences; deferred tax assets are recognized to the extent that it is likely that taxable profits will be available for which the deductible temporary differences can be used. Such deferred tax assets and deferred tax liabilities are not recognized if the temporary differences result from goodwill or from the first-time recognition (except for business combinations) of other assets and liabilities that result from events that do not affect taxable income or the net profit.

Deferred tax liabilities are recognized for taxable temporary differences arising from shares in subsidiaries or associates and shares in joint ventures, unless the Group can control the reversal of the temporary differences and it is likely that the temporary difference will not reverse anytime soon.

Deferred tax assets that result from temporary differences in connection with shares in subsidiaries or associated companies and shares in joint ventures are only recognized to the extent that it is probable that sufficient taxable income is available with which the claims from the temporary differences can be used. It must also be assumed that these temporary differences will be reversed in the foreseeable future.

The book value of the deferred tax assets is verified every year at the end of reporting period and the value is reduced if it is no longer probable that sufficient taxable income will be available to realize the claim in full or in part. Deferred tax liabilities and deferred tax assets are determined on the basis of the expected tax rates and tax laws that are expected to apply when the debt is settled, or the asset is realized. The valuation of deferred tax assets and liabilities reflects the tax consequences that arise from the way in which the Group expects to meet the liability or realize the asset on the statement of financial position date.

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

2.8 Leases

Leases are accounted for pursuant to IFRS 16 (Leases). According to IFRS 16, the lessee has a fundamental obligation to recognize rights and obligations arising under leases in the balance sheet. Lessees account for the right-of-use asset in the fixed assets as well as a corresponding lease liability.

At the start of a contract, the Group assesses whether the contract establishes or includes a lease. This is the case if the contract provides the right to control the use of an identified asset in return for payment of a fee for a certain period of time. In order to assess whether a contract includes the right to control an identified asset, the Group uses the definition of a lease in accordance with IFRS 16.

The Group as lessee

When new contracts are concluded, the Group checks whether they include leases. Upon commencement of the lease, the Group accounts for right-of-use (RoU) assets and corresponding lease liabilities for all leased objects.

The right-of-use asset is initially measured at the amount of the lease liability plus any initial direct costs incurred by the Group. Adjustments may also be required for lease incentives, payments at or prior to commencement and restoration obligations or similar. The RoU asset is depreciated over the lease term and subsequently measured at cost less accumulated depreciation and accumulated impairment.

The lease liability is initially recognized at the present value of future lease payments payable over the lease term, discounted at the rate implicit in the lease or the incremental borrowing rate, whichever is readily determinable.

Lease liabilities are included as part of other financial liabilities in the consolidated statement of financial position and are subsequent measured using the effective interest method.

The Group subsequently remeasures the lease liabilities to reflect changes in

- the lease term (using a modified discount rate);
- the assessment of a call option (using a modified discount rate);
- the payments to be expected related to residual value guarantees (using the original discount rate); and
- or future lease payments resulting from an index or exchange rate change (using the original discount rate).

The remeasurements are treated as adjustments to the RoU asset. If changes do not lead to the formation of a separate lease, a remeasurement of the lease liabilities may also occur.

If, as a result of the subsequent remeasurement of the lease liabilities, the RoU assets are reduced to zero or have already been reduced to zero, and there is a further adjustment of the lease liabilities, the amount is recognized in profit or loss.

The Group has elected not to recognize a right-of-use asset and corresponding lease liability for leases of low-value assets and for short term leases. Lease payments on these assets are expensed to profit or loss as incurred.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

2.9 Intangible Assets

a) Other intangible assets

Other intangible assets with a finite useful life are recognized at acquisition cost less accumulated amortization and impairment. Amortization is recognized in the profit or loss on a straight-line basis over the expected useful life. The expected useful life and the amortization method are reviewed on every reporting date and all changes in estimates are taken into account prospectively.

Separately acquired intangible assets with an indefinite useful life are recognised at cost less accumulated impairment.

The useful life for industrial property rights and licenses is usually between three and ten years.

b) Goodwill

The goodwill resulting from a business combination is accounted for at cost less any necessary impairment and is shown separately in the consolidated statement of financial position.

Pursuant to IFRS 3 (Business Combinations), goodwill arising from business combinations is not amortized. Instead, goodwill is tested for impairment according to IAS 36 (Impairment of Assets) at least once a year in the fourth quarter after completion of the current operational plan or upon the occurrence of significant events or changes in circumstances that indicate an impairment requirement. For the purpose of impairment testing, the goodwill on acquisition is allocated to those cash-generating units (or groups thereof) of the Group that are expected to benefit from the synergies of the merger.

Cash-generating units to which part of the goodwill has been allocated must be tested for impairment at least once a year. If there are indications of a value reduction of a unit, it may be necessary to carry out more frequent impairment tests. If the recoverable amount of a cash-generating unit is less than the book value of the unit, the impairment loss is first allocated to the book value of any goodwill allocated to the unit and then proportionally to the other assets based on the book values of each asset in relation to the total book value of the assets within the unit. The recoverable amount is the higher of the value in use and the fair value less cost to sell.

Any impairment loss on goodwill is recognized directly in the profit or loss. Any impairment recorded for goodwill may not be reversed in future periods.

When a cash-generating unit is sold, the amount of goodwill attributable to it is taken into account when determining the profit on disposal.

For financial year 2023 Media and Games Invest engaged an external expert from BIG4 advisor, for an independent review under IAS 36 regarding the Goodwill and its segment goodwill allocation based on the management long-term business plan. Based on the result of the valuation by BIG4 advisor there is no impairment required. More information under section 5. Segment assets and 6. Intangible assets.

c) Internally generated intangible assets – research and development costs

In accordance with IAS 38 (Intangible Assets) research costs are recognized as an expense in the period in which they are incurred.

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

Internally generated intangible assets that result from the Internally generated intangible assets that result from the development activity or from the development phase of an internal project are recognised if the following evidence has been provided:

- The completion of the intangible asset is technically feasible, so that it will be available for use or sale.
- The intent is to complete the intangible asset and to use or sell it.
- The ability to use or sell the intangible asset exists.
- The intangible asset is expected to generate a future economic benefit.
- Adequate technical, financial and other resources are available to complete the development and to use or sell the intangible asset.
- The ability to reliably determine the expenses attributable to the development of the intangible.

The amount with which an internally generated intangible asset is capitalised for the first time is the sum of the expenses incurred from the day on which the intangible asset first meets the above conditions..If an internally generated intangible asset cannot be capitalized or if there is no intangible asset, the development costs are recognized in the profit or loss statement in the period in which they arise.

In subsequent periods, internally generated intangible assets, as well as acquired intangible assets, are valued at acquisition or production cost less accumulated amortization and impairment. Capitalized development costs are generally amortized on a straight-line basis over a useful life between three and ten years.

d) Intangible assets acquired as part of a business combination

Intangible assets acquired as part of a business combination are recognized separately from goodwill and measured at fair value at the time of acquisition. The useful life is generally between two and ten years.

In subsequent periods, intangible assets acquired as part of a business combination, as well as individually acquired intangible assets, are valued at cost less accumulated amortization and any accumulated impairment.

e) Derecognition of intangible assets

An intangible asset must be derecognized on disposal or when no further economic benefit is expected from its use or its disposal. The gain or loss from the derecognition of an intangible asset, valued at the difference between the net sales proceeds and the book value of the asset, is recognized in the profit or loss at the time the asset is derecognized. It is shown in other income or other expenses.

PROPERTY, PLANT, AND EQUIPMENT

Property, plant, and equipment are accounted for according to IAS 16 (Property, Plant and Equipment) at cost less accumulated depreciation and impairment. Technical equipment and machines as well as office and business equipment are shown at acquisition or production cost less accumulated depreciation and recognized impairment.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
Financial Statements – Group 125
Notes – Group 131
Financial Statements – Parent Company 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

Depreciation is carried out in such a way that the acquisition or production costs of assets (with the exception of land or assets under construction) minus their residual values are depreciated on a straight-line basis over their useful life. The useful lives vary between 3 and 8 years.

The expected useful lives, residual values and depreciation methods are reviewed on every reporting date. All necessary changes in estimates are taken into account prospectively.

Other systems, operating and business equipment are predominantly written off over three to five years. Pursuant to the commercial progression of usage, property, plant, and equipment will be depreciated using the straight-line method.

Property, plant, and equipment is derecognized on disposal or when no future economic benefit from the continued use of the asset is expected. The gain or loss resulting from the sale or decommissioning of property, plant and equipment is determined as the difference between the proceeds from the sale and the book value of the asset and is recognized in other income or other expenses.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

2.10 Impairment of Property, Plant and Equipment and Intangible Assets (Other Than Goodwill)

At the end of each reporting period, the Group reviews the carrying amounts of property, plant and equipment and other intangible assets to determine whether there are indications of an impairment of these assets. If such indications are discernible, the recoverable amount of the asset is estimated to determine the extent of any impairment loss. If the recoverable amount for the individual asset cannot be estimated, the recoverable amount of the cash-generating unit to which the asset belongs is estimated. If an appropriate and steady basis for distribution can be determined, the collective assets are distributed among the individual cash-generating units. Otherwise, there is a distribution to the smallest group of cash-generating units for which an appropriate and steady basis of the distribution can be determined.

In the case of intangible assets with an indefinite useful life or those that are not yet available for use, an impairment test is carried out at least annually and always when there is an indication of impairment.

The recoverable amount is the higher of the fair value less cost to sell and the value in use. When determining the recoverable amount, the estimated future cash flows are discounted using the weighted average cost of capital. This pre-tax interest rate takes into account, on the one hand, the current market assessment of the time value of the money, and on the other hand the risks inherent in the asset, unless these have already been included in the estimate of the cash flows.

If the estimated recoverable amount of an asset or a cash-generating unit falls below the book value, the book value of the asset or the cash-generating unit is reduced to the recoverable amount. The impairment loss is immediately recognized in profit or loss.

If the impairment loss is subsequently reversed, the book value of the asset or cash-generating unit is increased to the most recent estimate of the recoverable amount. The increase in the book value is limited to the value that would have resulted if no impairment loss had been recognized for the asset or the cash-generating unit in previous years. A reversal of an impairment loss is recognized immediately in profit or loss.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
Financial Statements – Group 125
Notes – Group 131
Financial Statements – Parent Company 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

2.11 Financial Assets

Financial assets are recognized when a group company becomes a contracting party to the financial instrument.

Financial assets are measured at fair value on recognition. Transaction costs that are directly attributable to the acquisition of financial assets that are not measured at fair value through profit or loss increase or decrease the fair value of the financial assets on receipt. Transaction costs that are directly attributable to the acquisition of financial assets and that are measured at fair value through profit or loss are recognized directly in the consolidated statement of comprehensive income.

Financial assets are recognized and derecognized on the trading day if they are financial assets that are delivered within the time frame customary for the market concerned.

All of the financial assets accounted for in their entirety are subsequently valued either at amortized cost or at fair value, depending on the classification of the financial assets. For further information on the application of the effective interest method for financial asset measured at amortized cost, refer to Note 2.17 b).

a) Classification of financial assets

Debt instruments that meet both of the following conditions are measured at amortized cost:

- The financial asset is held within the framework of a business model, the objective of which is to collect the contractual cash flows;
- The contractual terms of the financial asset only represent interest and principal payments on the outstanding nominal amount.

Debt instruments that meet both of the following conditions are measured at fair value through other comprehensive income:

- The financial asset is held within the framework of a business model, the objective of which is both to collect the contractual cash flows and to sell financial assets;
- The contractual terms of the financial asset only represent interest and principal payments on the outstanding nominal amount.

All other financial assets that do not meet the above conditions are generally valued at fair value through profit or loss. MGI did not classify any equity instruments in this category in the financial year.

Equity instruments measured at fair value and recognized in equity are recognized at the time of their acquisition at fair value plus transaction costs. As a result, gains, and losses from changes in the fair value are recognized in other comprehensive income in the revaluation reserve for financial investments. The accumulated gains or losses are not reclassified to the statement of comprehensive income when the equity instrument is disposed of but are transferred to retained earnings.

Dividends from these equity instruments are recognized in the profit or loss in accordance with IFRS 9 unless the dividends clearly represent a repayment of part of the cost of the equity instruments. Dividends are recognized in the item "other financial income" in the statement of comprehensive income.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

b) *Currency translation gains and losses*

- The fair value of financial assets measured at fair value through profit or loss which are denominated in a foreign currency is determined in the foreign currency and then revalued using the spot rate at reporting date;
- Financial assets that are measured at amortized cost and are not part of a designated hedging relationship, revaluation differences are recorded in the profit or loss under "Other income" and "Other operating expenses";
- The fair value of equity instruments measured at fair value through other comprehensive income which are denominated in a foreign currency is determined in the foreign currency and then revalued using the spot rate at reporting date.

c) *Impairment of financial assets*

For financial assets, the Group always records the losses expected over the lifetime expected credit losses (ECL). These are calculated on the basis of a provision matrix, with reference to the loss rate approach based on historical credit losses, an analysis of the current financial situation of the debtors, taking into account debtor-specific factors, the general economic conditions of the industry in which the debtors operate, and an assessment of both the current and the forecast development of the circumstances on the financial reporting date, and while taking into account, if necessary, the time value of money.

The group directly writes down a financial asset, thereby reducing the gross book value if there is information that indicates that the debtor is in considerable financial difficulty and there is no realistic prospect of payment. This is the case, for example, if the debtor is in liquidation or bankruptcy proceedings or, in the case of trade receivables, the receivables are overdue by more than two years, depending on which event occurs earlier. Financial assets that have already been written off may still be subject to enforcement measures by the group. Any returns received from this are recognized in the consolidated statement of profit or loss on receipt.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
Financial Statements – Group 125
Notes – Group 131
Financial Statements – Parent Company 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

d) Derecognition of financial assets

The group only derecognizes a financial asset if the contractual rights to the cash flows from the asset expire or if it transfers the financial asset and essentially all risks and opportunities associated with the ownership of the asset to another company. If the group does not transfer or retain all of the material risks and rewards associated with ownership and remains in control of the transferred asset, the group recognizes its continued exposure to the asset and an associated liability for amounts that it may have to pay. If the group retains essentially all of the risks and rewards associated with ownership of a transferred financial asset, the group continues to recognize the financial asset and accounts for the proceeds received as a liability.

As a result of the derecognition of a financial asset measured at amortized cost, the difference between the book value of the asset and the sum of the consideration received and outstanding receivables is recognized in profit or loss. In addition, when a financial investment is derecognized in a debt instrument that is classified at fair value through other comprehensive income, the gain or loss previously accumulated in the revaluation reserve for financial investments is reclassified to the profit or loss statement. In contrast, when a financial investment is derecognized in an equity instrument that the group designated as to be recognized at fair value directly in equity when it was initially recognized, the cumulative gain or loss previously accumulated in the revaluation reserve for financial investments is not reclassified to the income statement and can be transferred to retained earnings (refer also to Note 9 and 10).

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
Financial Statements – Group 125
Notes – Group 131
Financial Statements – Parent Company 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

2.12 Cash and Cash Equivalents

Cash and bank balances are measured at amortized cost and investment at fair-value, comprising cash and cash equivalents with a maturity term of a maximum of three months.

2.13 Shareholders' Equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs. Issue costs refer to costs that would not have been incurred had the equity instruments not been issued.

Repurchase of the Company's own equity instruments is deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue, or cancellation of the Company's own equity instruments.

Debt and equity instruments issued by a group entity are classified as financial liabilities or equity in accordance with the substance of the contractual agreement and the definitions.

2.14 Current and Other Non-Current Employee Benefits

For current employee benefits (wages, sick pay, bonuses, etc.), the undiscounted amount of the benefits expected to be paid in exchange for that service provided shall be recognized in the period in which the employee provides the service.

The expected cost of current employee benefits in the form of compensated absences shall be recognized in the case of accumulating benefits when the service that increases employees' entitlement to future compensated absences is rendered. Non-accumulating compensated absences, however, are recognized at the time when the absences occur.

Liabilities from other non-current employee benefits are measured at the present value of the estimated future cash outflows the Group expects for the service rendered by the employee as at the financial reporting date.

Share-option programs for key-employees are recognized as non-current employee benefits in accordance with the company's accounting policy. The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognized as an expense, with a corresponding increase in equity, over the vesting period of the awards. Based on the evaluation of the management, Big4 advisors reviewed the share-option program and came to the conclusion that recognition as equity-settled share-based payment transaction is appropriate.

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

2.15 Other Provisions

Other provisions are recognized in accordance with IAS 37 (Provisions, Contingent Liabilities and Contingent Assets). Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that the settlement of the obligation involves an outflow of resources, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured on the basis of the estimated cash flows required to settle the obligation, these cash flows shall be discounted (when the interest effect is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

2.16 Severance Payments

A liability for a termination benefit will be recognized at the earlier of when the Group can no longer withdraw the offer of the termination benefit and when the Group recognizes any related restructuring costs.

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
Financial Statements – Group 125
Notes – Group 131
Financial Statements – Parent Company 193
Notes Parent Company 199
AUDITOR'S REPORT 207
DEFINITIONS 213

2.17 Financial Liabilities

Financial liabilities are recognized when a group entity becomes a party to the contractual provisions of the instrument. These are measured at amortized cost using the effective interest method or at FVTPL.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in OCI and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognized in OCI, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in profit or loss.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Group, are measured in accordance with the specific accounting policies set out below.

Financial liabilities are measured at fair value on initial recognition. Transaction cost directly attributable to the issue of financial liabilities that are not measured at FVTPL, reduce the fair value of the financial liabilities on initial recognition. Transaction costs directly attributable to financial liabilities that are measured at FVTPL, are directly recognized in the consolidated statement of profit or loss.

a) Financial Liabilities Measured at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is a contingent consideration of an acquirer in a business combination, held for trading or it is designated as at FVTPL.

b) Financial Liabilities Measured Subsequently at Amortized Cost

Financial liabilities that are not a contingent consideration of an acquirer in a business combination, held-for-trading, or designated as at FVTPL, are measured subsequently at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and charges paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount derived from its initial recognition.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

c) Derecognition of Financial Liabilities

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled, or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in the consolidated statement of profit or loss.

When the Group exchanges with the existing lender one debt instrument into another one with substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between the carrying amount of the liability before the modification and the present value of the cash flows after modification should be recognized in profit or loss as the modification gain or loss within other income.

d) Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

INTRODUCTION	3
BOARD OF DIRECTORS REPORT	21
CORPORATE GOVERNANCE REPORT	33
SUSTAINABILITY REPORT	64
FINANCIAL STATEMENTS	124
Financial Statements – Group	125
Notes – Group	131
Financial Statements – Parent Company	193
Notes Parent Company	199
AUDITOR'S REPORT	207
DEFINITIONS	213

2.18 Contingent Liabilities

Contingent liabilities acquired in a business combination are initially measured at fair value at the acquisition date. The contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognized in profit or loss.

2.19 Statement of Cash Flows

Cash flows from operating activities are calculated by using the indirect method. In the case of compound transactions, the underlying amounts are allocated to several cash flow sections if necessary. Cash flows in foreign currencies were translated by using the annual average foreign currency exchange rate. Cash funds are determined as cash and cash equivalents plus current liabilities due to banks.

Interest income and expenses and dividend income are disclosed in the cash flows from operating activities, whereas interest paid or received are disclosed in the cashflows from financing activities. Tax payments are shown in the cash flows from operating activities because an allocation to individual activities is not practicable.

The composition of the cash funds, the general disclosure (structure and content) of the cashflow statement and the voluntary disclosure options remain unchanged compared to the prior year.

2.20 Earnings Per Share

IAS 33 deals with principles for the determination and presentation of earnings per share before and after dilution. Basic earnings per share are computed by dividing earnings attributable to equity holders of the parent by a weighted average number of outstanding ordinary shares.

For computing diluted earnings per share, the weighted average number of outstanding ordinary shares is restated for the dilution effect of all potential ordinary shares. The parent company has issued share options that have a potential dilution effect. For share options, the number of shares that could have been purchased at fair value for an amount corresponding to the monetary value of the subscription rights associated with outstanding share options is computed. The number of shares computed as above is compared to the number of shares that would have been issued assuming that the share options had been exercised. Options and warrants have a dilutive effect only when the average market price of ordinary shares during the period exceeds the exercise price. In financial year 2023 and 2022 Media and Games Invest has share-based payments that may cause dilution. Additionally, potential ordinary shares only give rise to a dilution effect in cases where the conversion of them results in lower earnings per share or a higher loss per share.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
Financial Statements – Group 125
Notes – Group 131
Financial Statements – Parent Company 193
Notes Parent Company 199
AUDITOR'S REPORT 207
DEFINITIONS 213

2.21 Rounding of Amounts

Amounts in this report have been rounded off to the nearest thousand EURO, or in certain cases, the nearest currency unit.

2.22 Estimation Uncertainties and Critical Accounting Judgements

In preparing the consolidated financial statements, assumptions and estimates are to be made that have a significant impact on the amount and the reporting of the assets and liabilities, income and expense items and contingent liabilities recognized.

The assumptions mainly relate to the determination of the useful lives of intangible assets and property, plant, and equipment in compliance with the unified policies across the Group.

The estimates used have a significant influence on the determination of discounted cash flows in the purchase price allocation process and of impairment tests, on the valuation of internally generated intangible assets, allowances on receivables, other provisions and realizability of deferred tax assets.

Estimates are based on experience and premises valid at reporting date and that are considered appropriate under the given circumstances. The future development that is considered most probable is assumed for this purpose. The development of banks and providers of similar services and of the company environment are also taken into account. The estimates and the underlying assumptions are continually reviewed. However, in individual cases, the actual values might deviate from the assumptions and estimates made if the mentioned framework conditions develop differently than expected at reporting date. Changes are recognized through profit and loss at the time they become known, and the premises adjusted accordingly.

Key Sources of Estimation Uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the amounts reported of assets and liabilities within the next financial year, are discussed below.

a) Accounting for and impairment of internally generated intangible assets

The Group renders in-house development services (further game development). In this context, a decision must be made on an annual basis regarding to what extent development services could be capitalized as internally generated intangible assets as well as their expected useful life. The internally generated intangible assets are recognized at € 98,366k in the consolidated statement of financial position as of 31 December 2023 (2022: € 72,939k).

The progress of the individual projects has been satisfactory, and customer response to the executive board's previous estimates of expected revenue from the respective projects has also been confirmed.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
Financial Statements – Group 125
Notes – Group 131
Financial Statements – Parent Company 193
Notes Parent Company 199
AUDITOR'S REPORT 207
DEFINITIONS 213

b) Impairment of goodwill and intangible assets

In order to determine goodwill impairment, it is required to determine the recoverable amount of the cash-generating unit to which the goodwill has been allocated. The calculation of the recoverable amount requires an estimate of future cash flows from the cash-generating unit as well as an appropriate discount rate for the calculation of the present value. If the actual expected future cash flows are lower than the previous estimate, this might result in material impairment.

The carrying amount of goodwill amounted to € 578,028k as of 31st December 2023 (2022: € 587,739k). In 2023 and 2022, there was no risk of loss and therefore no impairment requirement.

Regarding other intangible assets the group impaired assets in the amount of € 1,084k (2022: € 23,571k).

c) Tax related provisions

As of 31st December 2023 there are tax related provisions amounting to € 6,867k (2022: € 5,896k) which mainly relate to the executive board's assessment of uncertain tax items depending on the interpretation of tax legislation and expectation of tax. Due to the uncertainty associated with such tax positions, there is a possibility that, on conclusion of open tax matters with the tax authorities at a future date, the final outcome may differ significantly.

d) Deferred tax assets on tax loss carry forwards

Income tax is to be estimated for each individual tax jurisdiction in which the Group operates. To the extent that temporary differences arise, these differences principally result in the recognition of deferred tax assets and liabilities in the consolidated statement of financial position. The executive board is required to make assessments in calculating actual and deferred taxes. Deferred tax assets are recognized to the extent that it is probable that these can be utilized. The utilization of deferred tax assets depends on the ability to generate sufficient taxable profits according to the respective tax type and jurisdiction, taking into account, where relevant, legal restrictions concerning the maximum period allowed for tax loss carry forwards.

In assessing the probability of the future usability of deferred tax assets, several factors are to be taken into account such as, the financial performance of the past, operational planning, loss carry-forward period and tax planning strategies. Where the actual results deviate from these estimates or where these estimates are to be adjusted in future period, this might negatively affect the assets, liabilities, financial position, and financial performance.

If the impairment assessment for deferred tax assets is changed, the deferred tax assets are to be reduced through profit or loss.

No deferred tax assets were recognized on certain corporation income and trade tax loss carry forwards of € 99.843k (2022: € 155,266k) and € 65.919k (2022: € 130,049k), respectively, as at 31 December 2023, since the entities currently affected have a loss history, and it can, at present, be assumed that under the medium-term tax result planning, that these above-mentioned tax loss carry-forwards will probably not be utilized. These losses may be carried forward for an indefinite period.

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

e) Fair Value Measurement

Some assets and liabilities of the Group are measured at fair value for financial reporting purposes. To the extent possible, the Group uses observable market data to determine the fair value of assets and liabilities. Where Level 1 inputs are not available, the Group engages qualified external experts to perform the measurements. The Group works closely with external experts in order to determine appropriate measurement procedures and inputs. The Chief Financial Officer reports regularly to the Board to lay down the reasons for fluctuations in the fair values of assets and liabilities.

Various measurement methods are used to estimate the fair value of assets and liabilities not traded on an active market. When determining the fair value of interest swaps and currency derivatives official market listings are used as input in calculations of discounted cash flows. The fair value of loan liabilities is measured using generally accepted methods, such as discounting expected future cash flows at prevailing interest rates.

f) Equity-settled share-based payment transactions

Media and Games Invest issued four different employee share option plans (ESOP), which are recognized as equity-based payment transaction. The ESOP program allow for the issuance of up to 15 million new MGI shares, earliest from 1st May 2024 and latest till 1st July 2030. With an underlying valuation report according IFRS 2 performed by a reputable big 4 accounting firm, the MGI group recognized a total vested amount of € 7,049k (2022: € 5,653k). Additional information is available under Note 14. Shareholders' Equity.

g) Revenue Recognition under IFRS 15

In some SSP Games, part of the revenue is recognized over time and judgement is applied in determining the user lifetime. In 2023 amount of such revenue totaled to € 20,078k.

h) Non-recourse sale of receivables to a non-controlled structured entity

The Group sells trade receivables on a non-recourse revolving basis to a non-controlled structured entity. This structured entity holds the receivables and allocates the risks and rewards resulting from these by issuing asset-backed securities to third parties outside the Group (through a senior loan and an intermediate subordinated loan) and to the Group (through a senior subordinated loan and a remaining equity portion).

The Group does not own voting rights in the structured entity or has the ability to appoint its directors. In determining whether to consolidate the structured entity, the Group has applied IFRS 10 by evaluating whether it has control over the structured entity, in particular, whether it is exposed, or has rights, to variable returns from its involvement with the investee (i.e. the structured entity) and has the ability to affect those returns through its power over the investee.

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

Receivables are sold on a non-recourse basis to the structured entity under a true sale opinion with legal interest transferred from the Group to the structured entity. While the sale of receivables is without recourse, the Group continues to be exposed to some variability of risks and rewards and has rights to variable returns in respect of its remuneration as master servicer.

The Group considers that the returns of the investees in the structured entity are affected by the management of the receivable's portfolio. In particular, it is the management of any impaired receivables that significantly impacts the variability of the returns of the structured entity. The intermediate subordinated lender (who is also the control party) can unilaterally remove the Group as servicer of impaired receivables, giving it the unilateral power to affect the relevant activities of these receivables and thereby influence the variable returns. Accordingly, the Group has concluded that it does not control the structured entity and therefore does not include the structured entity in the Group's consolidation.

While the true sale of receivables occurs on a non-recourse basis, the Group retains certain control over the transferred receivables as the structured entity has no unconditional right to sell them. Therefore, the Group shall continue to recognize the transferred receivables to the extent of its continuing involvement. Given the minimal variability, it has been concluded to consider only the retained equity as continued involvement. The continuing involvement does not affect the true sale on a non-recourse basis.

Refer to Note 9 for additional information on the transaction.

3 ACQUISITION OF SUBSIDIARIES

On 28th February 2023, MGI's subsidiaries Verve Group Europe GmbH and Verve Holding GmbH acquired an equity interest of 40% each for a total of 80% in Smaato India Private Limited, in connection with the Smaato transaction from 5th August 2021. The purchase price amounted to € 200k for 40% to a total of € 400k. Smaato India is developing and enhancing software based on engagements with its customers. MGI Group recognized a badwill of € 69k from the transaction. MGI paid only the net asset value which does not include any workforce, no assets were identified, and no liabilities were assumed, supporting the recognition of a badwill.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
Financial Statements – Group 125
Notes – Group 131
Financial Statements – Parent Company 193
Notes Parent Company 199
AUDITOR'S REPORT 207
DEFINITIONS 213

4 INTERESTS IN SUBSIDIARIES (NCI)

The consolidated financial statements incorporate the assets, liabilities, and results of the following subsidiaries with non-controlling interest in accordance with the accounting policy described in Note 2:

			Parent		direct non-controlling interest	
Name	Country of incorporation	Principal activities	Ownership interest 2023 %	Ownership interest 2022 %	Ownership interest 2023 %	Ownership interest 2022 %
gamigo AG	Germany	Online Games	99.96	99.96	0.04	0.04
Shanghai Yi Qiu Business Management Co. Ltd.	China	Media	99.999	99.999	0.0001	0.0001
Smaato India Private Limited	India	Media	80.00	0.0	20.00	0.00

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

5 SEGMENT INFORMATION

a) Products and services from which reportable segments derive their revenues.

Under IFRS 8, on the basis of the internal reporting, operating segments are to be defined across group divisions that are subject to a regular review by the Chief Operating Decision Maker of the Company with respect to decisions on the allocation of resources to these segments and the assessment of segment performance. Information reported to the Chief Operating Decision Maker for the purposes of resource allocation and assessment of segment performance is focused on the two segments of Demand Side Platform (DSP) and Supply Side Platform (SSP). The Demand Side Platforms are recognized within the DSP Segment. The Supply Side Platforms as well as the own games content which is integrated into the Supply Side Platforms since the 1st January 2022 are recognized in the SSP Segment.

Description of the advertising value chain and segment reporting

In the digital advertising market, with its rapid pace of innovation, there exist many players and roles. Within the programmatic advertising industry there are currently two key categories:

Demand Side Platforms (DSP): Which bundle the demand from advertisers and agencies for new users within the Demand Side Platform.

Supply Side Platforms (SSP): Which bundle integrations with first- and third-party publishers that are integrated within Supply Side Platforms (SSP) to monetize the advertising space in their content.

Starting from the advertiser's point of view, the first station in the online advertising services industry is, depending on the degree of outsourcing needs, an agency or trade desk. The services of an agency comprise creating, planning and execution of advertising campaigns. Large advertising agencies such as WPP offer a full-service package, allowing an advertiser to completely outsource advertising-related activities.

The next step in the value chain and a necessary function in programmatic advertising is a Demand Side Platform (DSP). A DSP bundles the demand of advertising buyers and enriches it with specific data to be able to match the advertising content most efficiently with advertising inventory. An example of a DSP is the company the Trade Desk, or within MGI Verve DSP.

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
Financial Statements – Group 125
Notes – Group 131
Financial Statements – Parent Company 193
Notes Parent Company 199
AUDITOR'S REPORT 207
DEFINITIONS 213

The counterpart of a DSP is a Supply Side Platform (SSP). An SSP bundles the supply of advertising space from publishers including specific information about the characteristics of the available advertising inventory. Large networks such as Google have their own SSPs, but there are also several independent players such as Fyber or PubMatic and also MGI, who are trying to maximize ad space monetization. An advertising exchange sits between DSPs and SSPs and acts as a marketplace for both the supply and demand of advertising space. Often, this is an automated process in the form of real time bidding (RTB). However, the focus of DSPs, SSPs and adexchanges are somewhat blurred (as is the case of MGI where advertising is sometimes conducted through the Verve DSP, which might connect directly with an SSP), while certain publishers negotiate a campaign and its pricing directly with advertisers.

At the other end of the value chain is the publisher, the owner of a medium or media platform wishing to sell its advertising inventory. At this point, the advertisement reaches its audience. Prominent examples include Zynga, King or Embracer, or in the case of MGI, gamigo, WildTangent, and AxesInMotion, which are in charge of MGI's games inventory (i.e. games IP`s, audiences, customer purchase data and platforms).

DSP Segment

MGI's Demand Side Platform enables advertisers to drive user acquisition campaigns across the open internet. Through our self-service, cloud-based platform, advertisers can create, manage, and optimize data-driven digital advertising campaigns across all relevant ad formats and channels (including e.g. display, native and video) and devices (mobile, desktop, digital out-of-home and connected TV). Based on our vertical infrastructure approach, our Demand Side Platform is integrated with our Supply Side Platform (SSP) which provides access to major first- and third-party inventory from publishers. Our first-party inventory mainly relates to advertising space in casual games from various acquisitions carried out since 2012. The combination of owned content and third-party content in combination with strong AI capabilities provides advertisers a global reach and a broad set of audience data which results in very strong targeting capabilities for their user acquisition campaigns.

Our clients on the demand side are primarily large brands from Fortune 500 Companies as well as agencies such as WPP or Mediacom, which manage the budgets of large advertisers. Our Demand Side Platform generates revenue through advertising services where MGI manages campaigns for advertisers or charges a usage-based fee for the use of the self-serve DSP platform. With products like ATOM or Moments.AI, MGI's platform offers value-added services which provide targeting solutions to advertisers for a world without identifiers and cookies.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
Financial Statements – Group 125
Notes – Group 131
Financial Statements – Parent Company 193
Notes Parent Company 199
AUDITOR'S REPORT 207
DEFINITIONS 213

SSP Segment

MGI's Supply Side Platform helps third party publishers (games and non-games) and its own games studios to monetize their ad inventory / ad spaces while keeping full control over it. Publishers connect to the SSP by for example, integrating our SDKs into their content. Connected to our own Demand Side Platform, as well as to third-party Demand Side Partners, we enable marketers to drive return on their ad spent and reach addressable audiences across all relevant ad formats, channels, and devices. Our infrastructure approach allows for an efficient processing and utilization of data in real time optimized via AI, leading to a superior monetization for publishers by increasing the value of an impression and by providing incremental demand through our own DSP and through our well-established relationships with more than 5,000 advertisers and well over 80 third-party DSPs. Publishers can then sell their ad inventory to advertisers using real-time bidding techniques. Through Verve's AI driven powerful data enrichment engine, content users are segmented in a privacy-compliant manner. As a result, advertisers who consider the user most valuable based on the segmentation will bid the most for the ad space. In this way, the advertising space can be sold by publishers in the most efficient and profitable way.

Our partners on the supply-side are primarily publishers and app developers that allow us to directly integrate with their apps resp. content, maximizing automation and sales efficiency of ad inventory. In addition, the SSP Segment also includes the own games studios which provide first-party data and in-game advertising spaces and enable faster testing cycles of new services. A smaller portion of the revenues in this segment is generated directly with consumers from in-game item sales and game subscriptions. The Supply Side Platform generates revenue through services where MGI buys ad inventory directly from the publisher and sells it to demand side platforms.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

5.1 Segment Revenues and Segment Results

in €k	DSP UNCONSOLIDATED Jan-Dec-23	SSP UNCONSOLIDATED Jan-Dec-23	INTER-SEGMENT ELIMINATION	CONSOLIDATED Jan-Dec-23
Total Revenues	**47,122**	**301,391**	-26,533	**321,981**
Intersegment Revenues	18,972	7,561	-26,533	0
Revenues External	28,150	293,831		**321,981**
EBITDA	**12,878**	**115,580**		**128,458**
Depreciation and amortization				-29,456
Financing income				5,436
Financing expenses				-55,502
Earnings before taxes (EBT)				**48,936**
Income taxes				-2,718
Net result				**46,218**

in €k	DSP UNCONSOLIDATED Jan-Dec-22	SSP UNCONSOLIDATED Jan-Dec-22	INTER-SEGMENT ELIMINATION	CONSOLIDATED Jan-Dec-22
Total Revenues	**41,614**	**298,882**	-16,052	**324,444**
Intersegment Revenues	9,445	6,608	-16,052	0
Revenues External	32,169	292,274		**324,444**
EBITDA	**8,844**	**75,910**		**84,753**
Depreciation and amortization				-58,135
Financing income				349
Financing expenses				-38,308
Earnings before taxes (EBT)				**-11,341**
Income taxes				-9,064
Net result				**20,405**

Media and Games Invest SE

INTRODUCTION 3

BOARD OF DIRECTORS REPORT 21

CORPORATE GOVERNANCE REPORT 33

SUSTAINABILITY REPORT 64

FINANCIAL STATEMENTS 124

FINANCIAL STATEMENTS – GROUP 125

NOTES – GROUP 131

FINANCIAL STATEMENTS – PARENT COMPANY 193

NOTES PARENT COMPANY 199

AUDITOR'S REPORT 207

DEFINITIONS 213

The Company does not use geographical information for the purposes of internal controlling nor for management reports. A separate collection of such data would result in disproportional costs.

Due to the structure of customers in the DSP and SSP segment, there are no customers that constitute a proportion of more than 10 percent of the Company's revenues. The customers of both segment in general are characterized by a large number of Fortune 500 customers. There are no customers that are responsible for more than 10 percent of the Company's revenues.

The accounting policies of the reportable segments correspond to the Company's accounting policies described above. The segment result represents the result that each segment generates with allocation of the share of the central administrative costs including the remuneration of the Governing Board. The segment results are reported to the Company's Chief Operating Decision Maker for the purpose of resource allocation to the segments and the assessment of segment performance.

5.2 Segment Assets

	31-Dec-23 in €k	31-Dec-22 in €k
DSP	88,491	85,912
SSP	918,537	958,747
Total segment assets	1,007,028	1,044,659
Consolidated total segment assets	**1,007,028**	**1,044,659**

For the purpose of monitoring segment performance and allocating resources to segments, the Group's Chief Operating Decision Maker monitors the tangible, intangible and financial assets attributable to the individual segments. All assets including goodwill are allocated to the reportable segments. As mentioned in section 2.10. b) MGI engaged an independent BIG4 advisor in 2023, for impairment test of the goodwill and the segments goodwill allocation. Based on the valuation results, the recoverable amounts exceed the carrying amounts for both CGUs as at 31st December 2023. Based on the valuation report from an independent reputable BIG4 advisor, the managements' conclusion is, no impairment results.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

6 INTANGIBLE ASSETS

The book value of the intangible assets as of the reporting date is as follows:

in €k	31-Dec-23	31-Dec-22
Internally generated intangible assets	98,366	72,939
Other intangible assets	120,214	130,606
Goodwill	578,028	587,739
Total	**796,607**	**791,284**

The development of book value is as follows:

	Internally generated assets	Other intangible assets	Advance payments on other intangible assets	Goodwill	Total
Cost	54,808	172,224	1,116	411,992	640,140
Amortization	-10,451	-23,941	0	0	-34,392
Balance at 1 Jan 2022	44,358	148,282	1,116	411,992	605,748
Acquisition through business combination	0	26,343	0	161,997	188,340
Additions	33,412	3,176	0	0	36,588
Reclassification	1,116		-1,116		0
Amortization	-5,947	-47,193	0	0	-53,140
Effects from currency valuation		-2		13,750	13,748
Disposals cost	-1,490	-2,109			-3,599
Disposals amortization	1,490	2,109			3,599
Cost	87,846	199,634	0	587,739	875,219
Amortization	-14,907	-69,027	0	0	-83,935
Balance at 31 Dec 2022	72,939	130,606	0	587,739	791,284
Acquisition through business combination					
Additions	39,810	6,217			46,027
Reclassification					
Amortization	-12,786	-13,706			-26,492
Effects from currency valuation Cost	-1,674	-3,839		-9,712	-15,225
Effects from currency valuation Amortization	78	935		0	1,013
Disposal (cost)		-1,812			-1,812
Disposal (amortization)		1,812			1,812
Cost	125,982	200,200	0	578,028	904,209
Amortization	-27,616	-79,986	0	0	-107,602
Balance at 31st December 2023	98,366	120,214	0	578,028	796,607

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

For the purpose of impairment testing, goodwill is allocated to the following cash-generating units:

in €k	31-Dec-23	31-Dec-22
DSP	43,669	43,269
SSP	534,359	544,471
Total Goodwill	578,028	587,739

The intrinsic value of this goodwill was confirmed by the impairment tests carried out on the reference date for the annual financial statements. The goodwill is tested at the level of the business segments Demand and Supply, as this corresponds to the approach of the internal control of the Group. The cash-generating units consist of the Demand and Supply business segments. The goodwill is tested at the level of cash generating units which are equal to the business segments Demand and Supply.

The impairment tests are based on the calculation of the amount that can be generated by the cash generating units based on their value in use. For the impairment test for the fiscal year 2023 MGI engaged a BIG4 advisor for an independent impairment test of the goodwill according to IAS 36. For this valuation, cash flow forecasts are used that are based on a financial planning approved by the company management for five years. As in the previous year, cash flows for the five-year period are planned with detailed assumptions. The terminal applied growth rate is 1%. The DSP segment projects revenues to grow at a solid CAGR, as well on the SSP segment.

The assumed CAGR is based on historical experience and market expectations. For the DSP segment, EBITDA margins of approximately 25% (2022: 22%). For the SSP, EBITDA margins of approximately 24% (2022: 28%) were assumed. The assumed EBITDA margins are based on historical experience or have been forecast based on cost-cutting measures that have been initiated. A reasonable possible change of applied key assumptions would not result in an impairment.

The cash flows were discounted using the discounted cash flow (DCF) method applying a WACC (weighted average cost of capital) of 11,6% for the DSP segment and 9,8% for the SSP segment. The weighted average cost of capital used for discounting reflects the risk-adjusted return requirement of our equity- as well as debt-investors and is derived based on capital market data.

Overall, the independent valuation report confirms that the recoverable amount of our cash-generating units exceed their carrying amount, which implies no impairment for fiscal year 2023.

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

7 PROPERTY, PLANT AND EQUIPMENT

The book value of the property, plant, and equipment as of the reporting date can be derived from the following table:

in €k	31-Dec-23	31-Dec-22
Property, plant, and equipment	3,963	5,522

in €k	
Balance at 31st December 2021	**4,681**
Additions	5,758
Acquisitions through business combination	143
Depreciation	-65
Disposal	-4,996
Balance at 31 December 2022	**5,522**

Balance at 31 December 2022	**5,522**
Additions	1,454
Acquisitions through business combination	8
Depreciation	-2,999
Disposal	-136
Other	114
Balance at 31 December 2023	**3,963**

The development of book values was as follows:

Property, plant, and equipment primarily consists of operating and business equipment as well as IT equipment, which also relates to the main additions. The amounts shown include RoU assets in accordance with IFRS 16 that are further specified in Note 19.

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
Financial Statements – Group 125
Notes – Group 131
Financial Statements – Parent Company 193
Notes Parent Company 199
AUDITOR'S REPORT 207
DEFINITIONS 213

8 DEFFERED TAX ASSETS

The accrual/deferral of deferred taxes is done pursuant to the liability method in accordance with IAS 12 Income taxes. The tax rates that apply and/or have been agreed upon and are known on the reference date of the annual financial statements are applied.

Deferred tax assets in the amount of € 23,454k (2022: € 28,452k) relate to the probable future utilization of tax loss carry forwards and in the amount of € 1,936k (2022: € 2,180k) to timing differences that have emerged between the carrying amounts of intangible assets and their tax base within the framework of the initial consolidation of companies acquired.

Deferred tax assets of € 1,749k (2022: € 909k) were recognized on timing differences between the carrying amount of tangible and intangible assets and the tax base.

Deferred tax assets of € 5,154k (2022: € 3,812k) are due to the timing differences of liabilities.

Deferred tax assets and liabilities were netted for identical tax subjects of € 21.787k (2022: € 28.702k), resulting in total deferred tax assets of € 10.506k (2022: € 6,651k).

Further explanations on the deferred taxes can be found in Note 20 Deferred tax liabilities and Note 33 Income taxes.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

9 FINANCIAL ASSETS

As at 31st December 2023, the Company discloses other non-current financial assets of € 2,439k (2022: € 20,180k) and other current financial assets of € 32,970k (2022: € 14,489k).

In 2022 the Group held an investment of € 17,941k in shares of Enad Global 7, a Swedish listed Games company. Thus holding 8.3% of the total shares of Enad Global 7. MGI changed its strategy with the disposal of the Enad Global 7 shares in February 2023. The divestiture has been completed in February 2023. The fair-value and all gains and losses associated with the divestiture were recognized in other comprehensive income and were not transferred within equity. MGI has not received any dividends from its investment.On 9th December 2022, the Company entered into an accounts receivable securitization program where trade receivables held by the Group are sold on a non-recourse revolving basis to a structured non-controlled entity at an agreed upon purchase price. As of 31st December 2023, the amount of sold receivables was € 100,786k (2022: € 61,080k) with reference to Note 10. Part of the consideration is received upfront in cash and part is deferred in the form of senior subordinated notes issued by the structured entity (carrying amount as of 31st December 2023: € 31,704k (2022: € 11,148k)) and the retained equity portion (carrying amount as of 31 December 2023: € 483k (2022: € 190k)). The securitization program has a three-year term. The senior subordinated loan ranks sixth in the priority of payments, whereas the equity amount ranks twelfth (most subordinated), with reference to Note 2.22).

The Company is engaged as master servicer to the structured entity whereby the Group is – by others – responsible for the cash collection and the reporting of the sold receivables. As master servicer, the Company earns a fixed-rate servicing fee. In addition, the Group as equity holder is entitled to the residual net profit of the structured entity.

The investment in the senior subordinated loan and the retained equity is done in the ordinary course of business and its amount is carried at fair value through profit and loss. As of 31st December 2023, the fair value of the senior subordinated loan did not differ from its face value (which represents the maximum exposure to loss from the structured entity), given the low underlying credit risk (see Note 2.212, and the valuation has been considered as level III in the IFRS fair value hierarchy since it is not primarily based on observable inputs.

Refer to Note 17 for additional information on financial instruments.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

10 TRADE RECEIVABLES

The trade receivables reported have a remaining term of up to one year.

The Group derecognises a trade receivable when information is available that indicates that the debtor is in significant financial difficulty and there is no realistic prospect of payment. This would be the case, for example, if the debtor is in liquidation or insolvency proceedings or if the trade receivables are more than two years past due, whichever comes first. None of the derecognized trade receivables are subject to enforcement measures.

The trade receivables aging developed as follows:

in €k	Carrying amount (not due)	past due 1 – 30 days	past due 31 – 180 days	past due More than 180 days	Book values
31-Dec-23	20,474	3,537	5,170	3,099	32,281
31-Dec-22	48,649	2,483	1,097	0	52,229

The Company has recognized an expected credit loss of € 1,167k (2022: € 1,683k) in balance sheet statement the year ended 31 December 2023. The expected credit losses are calculated monthly on the basis of a provision matrix, with reference to the loss rate approach based on historical credit losses, an analysis of the current financial situation of the debtors, taking into account debtor-specific factors, the general economic conditions of the industry in which the debtors operate, and an assessment of both the current and the forecast development of the circumstances on the financial reporting date.

In connection with the accounts receivable securitization program, the Group sold trade receivables on a non-recourse basis in an amount of € 100,786k. As of 31 December 2023, an amount of € 483k has been recognized as continuing involvement and an amount of € 1,310k as associated liability. The difference between the continuing involvement asset and the associated liability results from the expected loss arising from the Group's exposure from the transaction.

Refer to Notes 2.17 and 2.22 for further details on the accounts receivables securitization program.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

11 OTHER CURRENT NON-FINANCIAL ASSETS

The following positions are included:

in €k	31-Dec-23	31-Dec-22
Prepaid expenses and deferred charges	3,348	2,368
VAT receivables	1,575	1,201
Other non-financial receivables	779	0
Total	**5,703**	**3,568**

12 CASH AND CASH EQUIVALENTS

Cash and cash equivalents amounted to € 121,740k as of 31st December 2023 (2022: € 149,992k).

13 NON-CASH TRANSACTIONS

Significant non-cash transactions in 2023 result from the earn-out and deferred consideration releases of AxesInMotion S.L. amounting € 62,755k and Verve Group Europe GmbH amounting € 5,059k. The fair value adjustments relating to the earn-out liabilities were a result of deviations in the EBITDA threshold targets which were part of the consideration for the acquisitions. Additional Share-based payment expenses amounting € 1,396k and foreign currency valuations on cash and cash equivalents amounting € -2,882k were recognized. Of the currency valuation on cash and cash equivalents € -344k were recognized on the DSP segment and € -2,538k were recognized on the SSP segment. The remaining significant non-cash transactions are included in the SSP segment.

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

14 SHAREHOLDERS' EQUITY

The Company has an authorized capital of 320,000,000 ordinary shares as of 31 December 2023 with a nominal value of € 1.00 for 300,000,000 ordinary A-shares and a nominal value of € 0.10 for 20,000,000 ordinary B-shares. As of 31st December 2023, 159,249,358 ordinary A-shares (2022: 159,249,358) were issued and fully paid.

	Number of shares		Common stock		Additional paid-in capital	
in €k	31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22
Issued and fully paid-in capital: ordinary shares of par value € 1.00	159,249	159,249	159,249	159,249	103,518	103,518

Each ordinary A-share has the right to (i) receive notice of, attend, speak, and vote at general meetings of the Company and has ten (10) votes; (ii) participate in a distribution of profits or assets of the Company, including in a winding up of the Company, pro rata with all other shareholders of the Company based solely on number of shares held and irrespective of the class and nominal value of shares held; and (iii) a repayment of capital in a winding up of the Company.

Each Ordinary B-share has the right to (i) receive notice of, attend, speak, and vote at general meetings of the Company and shall have one (1) vote; (ii) participate in a distribution of profits or assets of the Company, including in a winding up of the Company, pro rata with all other shareholders of the Company based solely on number of shares held and irrespective of the class and nominal value of shares held; and (iii) a repayment of capital in a winding up of the Company. Save as otherwise provided above and as specifically set out in the Articles of Association of the Company, all the shares in the Company shall rank pari passu in all respects including, inter alia, in respect of dividend distributions.

During the year ended 31 December 2022, the parent company increased its number of shares by 9,569,378 to 159,249,358. The premium associated with the capital increase amounted to € 18,948k in 2022 which resulted in the increase of the share premium by the same amount. The transaction costs accounted for as a deduction from equity amounted to € 399k.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
Financial Statements – Group 125
Notes – Group 131
Financial Statements – Parent Company 193
Notes Parent Company 199
AUDITOR'S REPORT 207
DEFINITIONS 213

Equity-settled share-based payment transactions

Media and Games Invest issued two different employee share option plans (ESOP). The first one was signed on 20th May 2020 and represents an uncapped agreement with the exercise period starting on 1st July 2024 and ending on 1st July 2030. On 11th January 2021, the MGI board decided to launch a second ESOP program and to allow for the issuance of up to 15 million new MGI shares, earliest from 1st May 2025 and latest till 1st July 2030 via an option at a strike price of € 2.60 per share. Ernst & Young GmbH (EY) as BIG4 advisor classified the share program as an equity-settled share-based payment transaction to employees for service. The equity instruments do not vest until the employee completes a specified period of service. Fair values of the shares were determined on the measurement date as of 31st December 2023.

In accordance with IFRS 2, a Black-Scholes Simulation was used for the valuation to determine the discount expected payout. The Black-Scholes model was used for the valuation beginning January 2023 and replaced the Monte Carlo model Approach which had been used in the previous years. The use of the Black-Scholes model is more suitable to reflect the fair value and was applied retrospectively for all grants.

Based on all parameters; grant date, vesting conditions, volatility, exercise price, lifetime of the option, current price of the underlying shares, risk-free interest and others, the total vested amount is € 7,049k as of 31st December 2023 (2022: € 5,653k). The amount is recognized as personnel expense in the consolidated statement of profit or loss with reference to Note 29 Employee benefits expense.

No dividend payments were made in the presented periods.

Capital Management

The Company fundamentally pursues the goal of generating an appropriate return on the capital used. The equity position shown in the consolidated statement of financial position of the Group, however, is merely used as a passive control criterion. The revenue and the EBITDA are used as active management parameters. The goal of the Company is to make substantial investments in the development of the corporate group, in particular for M&A activities, although they burden the short-term earning capacity of the Company to a considerable extent. These growth targets mean that classic return criteria are not always at the forefront in this growth phase. The investments associated with this are the basis for the Company's long-term success. The Company is striving to remain a profitable corporate group in the short and long-term.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

15 FINANCIAL LIABILITIES

The financial liabilities are divided into the following classes: in €k	31-Dec-23	31-Dec-22
Lease liabilities (current)	1,563	1,049
Lease liabilities (non-current)	943	2,597
Bonds (current)	34,510	0
Bonds (non-current)	348,038	389,386
Interest on bonds (current)	1,481	2,387
Other financial liabilities (current)	39,124	32,898
Contingent consideration	579	27,860
Other financial liabilities (non-current):		
Contingent consideration	34,806	86,081
Remaining liabilities	1,133	941
Total	**462,175**	**543,197**

Regarding the bonds, please refer to Note 17 and Note 18. The Company has a € 50,000k unsecured RCF (Revolving Credit Facility) with UniCredit Bank and a € 2,000k unsecured RCF with Commerzbank. The drawn RCF in the amount of € 32,000k (2022: € 29,903k) is reflected in the Other financial liabilities (current).

	Liabilities			
	Other loan and borrowings	Bond	Lease Liabilities	**Total**
Balance at 1st January 2023	**36,225**	**389,386**	**3,646**	**429,257**
Changes from financing cash flows				0
Repayments of debt	-3,238	-8,162		-11,400
New leases			302	302
Interest expense		4,882	40	4,922
Other changes	8,751	-3,558	-1,483	3,710
Total liability-related changes	**8,751**	**1,324**	**1,141**	**11,216**
Balance at 31st December 2023	41,737	382,548	2,505	426,790

In 2023 the Company issued € 199,200k of bonds of which € 193,100k were buy backs from bond ISIN SE0015194527, related proceeds and costs are shown net, as from the bond-roll-over transaction no cash in or out flows arose. The net position is included in the repayment of debt in the amount of € - 8.162k as reflected in the table above.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

The development of financial liabilities as at 31st December 2023 is as follows:

in €k	31-Dec-22	Additions / Proceeds	Reclassification	Payment	Interest accretion	31-Dec-23
Lease liabilities (current)	1,049	474			40	1,563
Lease liabilities (non-current)	2,597	-1,654				943
Bonds (current)			34,510			34,510
Bonds (non-current)	389,385	-3,557	-34,510	-8,162	4,882	348,038
Interest on bonds (current)	2,387	-393		-39,092	38,580	1,481
Other financial liabilities (current)	32,899	6,225				39,124
Contingent consideration	27,860	-15,513		-11,768		579
Other financial liabilities (non-current):						
Contingent consideration	86,081	-53,324			2,049	34,806
Remaining liabilities	941	192				1,133
Total	543,198	-67,550		-59,022	45,551	462,178

The maturity analysis of the financial liabilities as at 31st December 2023 is as follows:

in €k	up to 1 year	1 to 5 years
Lease liabilities	1,563	943
Bonds	34,510	348,038
Interest on bonds	1,481	0
Contingent consideration	579	34,806
Other financial liabilities	39,124	1,133
Total	**77,257**	**384,919**

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

The maturity analysis of the financial liabilities as at 31st December 2022 is as follows:

in €k	up to 1 year	1 to 5 years
Lease liabilities	1,049	2,597
Bonds	0	389,385
Interest on bonds	2,387	0
Contingent consideration	27,860	86,081
Other financial liabilities	32,898	941
Total	**64,194**	**479,004**

The weighted average effective interest rate is as follows:

in %	31-Dec-23	31-Dec-22
Bank loans	8.0	3.0
Bonds	11.5	7.4

16 OTHER NON-FINANCIAL LIABILITIES – CURRENT

The other non-financial liabilities include:

in €k	31-Dec-23	31-Dec-22
Liabilities from taxes	8,395	7,592
Liabilities to employees and social securities	1,816	1,694
Deferred income	11,310	12,056
Total	**21,521**	**21,342**

Please refer to Note 25 for further information on deferred income.

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
Financial Statements – Group 125
Notes – Group 131
Financial Statements – Parent Company 193
Notes Parent Company 199
AUDITOR'S REPORT 207
DEFINITIONS 213

17 REPORTING ON FINANCIAL INSTRUMENTS

Financial instruments refer to all contractual relationships that result in a financial asset for one party and a financial liability or equity instrument for the other party. Financial assets and financial liabilities are recognized in the group's statement of financial position when the group becomes a party to the contractual provisions of the financial liability or equity instrument. Financial instruments include both non-derivative and derivative financial instruments.

The following overview presents recognized financial instruments based on their IFRS 9 measurement categories. To improve the presentation of the financial instruments relevant to the Group in terms of comparable measurement uncertainties and risks, cash and cash equivalents are presented separately in the following:

Abbreviation	IFRS 9 measurement categories	
AC	Amortized cost	Financial assets and liabilities measured at amortized costs
FVTPL	Fair value through profit and loss	Financial assets and liabilities measured at fair value through profit and loss
FVTOCI	Fair value through other comprehensive income (FVTOCI) for debt instruments	Fair value (market value) changes recognised directly in other comprehensive income (with recycling)
FVTOCI	Fair value through other comprehensive income (FVTOCI) for equity instruments	Fair value (market value) changes recognised directly in other comprehensive income (without recycling)

Classes and categories of financial instruments and their fair values

As at 31st December 2023, the carrying amounts and fair values if the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values are as follows:

Media and Games Invest SE

INTRODUCTION	**3**
BOARD OF DIRECTORS REPORT	**21**
CORPORATE GOVERNANCE REPORT	**33**
SUSTAINABILITY REPORT	**64**
FINANCIAL STATEMENTS	**124**
Financial Statements – Group	125
Notes – Group	131
Financial Statements – Parent Company	193
Notes Parent Company	199
AUDITOR'S REPORT	**207**
DEFINITIONS	**213**

	Carrying amount					
	Financial assets			Financial liabilities		
	At fair value through profit and loss	At fair value through other comprehensive in-come	Amortized cost	At fair value through profit or loss	At fair value through other comprehensive income	Amortized costs
in €k	€k	€k	€k	€k	€k	€k
31. Dez 23			188,426	35,385	5,132	501,994
Cash and bank			121,740			
Trade receivables			32,281			
Current financial assets			32,970			
Non-Current financial assets			1,436			
Bond (non-current)						348,038
Bond (current)						35,991
Leasing liabilities (current)						1,563
Leasing liabilities (non-current)						943
Contingent consideration (current)				579		
Contingent consideration (non-current)				34,806		
Current Financial liabilities					5,132	33,992
Non-Current Financial liabilities						1,133
Trade payables						80,335
31. Dez 22		18,486	217,400	113,940		497,968
Cash and bank			149,992			
Trade receivables			52,229			
Current financial assets		545	13,994			
Non-Current financial assets		17.941	1,236			
Bond (non-current)						389,386
Bond (current)						2,387
Leasing liabilities (current)						1,049
Leasing liabilities (non-current)						2,597
Contingent consideration (current)				27,860		
Contingent consideration (non-current)				86,081		
Current financial liabilities						32,898
Non-Current Financial liabilities						941
Trade payables						68,711

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

The contingent consideration is recognized as a financial liability and subsequently measured at fair value as a Level 3 financial liability. The fair value of the contingent considerations were computed based on the forecast revenue and EBITDA figures for the financial year 2024.

Risks from Financial Instruments

Typical risks from financial instruments are the credit risk, the liquidity risk and the individual market risk. The risk management system of the Group is described in the Internal Control and Risk Management chapter of the Corporate Governance Report including its goals, methods and processes and can be found on Page 49-60 of the Annual Report. On the basis of the information depicted below, we do not see any explicit risk concentrations from financial risks.

Credit Risks

The Group reduces the default risk of original financial instruments through trade information, credit limits and debtor management including dunning and proactive collection. In addition, to the best of its knowledge, the Group only concludes transactions with solvent customers. The maximum default risk results from the carrying amounts of the financial assets recognized in the statement of financial position. Credit losses have been recognized in the amount disclosed in Note 10. The expected credit loss amounts to € 553k for 2023. The Group has written off the corresponding trade receivables. The overall remaining credit risk is still low.

Liquidity Risks

The operational liquidity management covers a cash controlling process. Liquidity surpluses and requirements can thus be managed in accordance with the Group's requirements and those of individual Group companies. Market risk is understood to be the risk that the fair values to be applied or future payment streams of an underlying or derivative financial instrument will fluctuate as the result of changes in the risk factors and the risk that the fair value to be applied to the bond will change. The due dates of financial assets and financial liabilities and estimates of the cash flow from operational activity are included in the short-term and medium-term liquidity management. Cash and cash equivalents totaling € 121,740k (2022: € 149,992k) are available to cover the liquidity requirements. Refer to Note 16 for the maturity analysis of the financial liabilities. The liquidity risk is classified as low overall.

Currency Risks

Changes in exchange rates can result in unwanted and unforeseeable volatilities of results and payments streams.

As a result of the international alignment of the Group in the direction of the USA, there are currency risks within the framework of the business activity. The transaction risk on the basis of the functional currency is to be classified as low as the US subsidiaries generate income and expenses in US dollars. For this reason, there was no hedging of currency. With the recent acquisitions, there is a low risk recognized for currency exchange for business activity in Brazil with BRL, Sweden with SEK and China with CNY.

Translation Risks

At Group level, there is a translation risk that results from consolidation of subsidiaries that do not carry out their accounting in Euro. The largest risk position is the US dollar and/or its respective change in relation to the Euro. The long-term exchange risk that exists with investments in shareholdings that do not carry out their accounting

Media and Games Invest SE

INTRODUCTION	3
BOARD OF DIRECTORS REPORT	21
CORPORATE GOVERNANCE REPORT	33
SUSTAINABILITY REPORT	64
FINANCIAL STATEMENTS	124
Financial Statements – Group	125
Notes – Group	131
Financial Statements – Parent Company	193
Notes Parent Company	199
AUDITOR'S REPORT	207
DEFINITIONS	213

in Euro is rated continuously. From this translation risk with regard to the US subsidiaries, with an increase of the Euro compared to the US dollar of 10% there would be no fundamental effect on the Group equity and the Group´s consolidated statement of profit or loss.

Interest Risks

The scope of the third-party financing associated with variable interest is mainly due to the bond, meaning that there is a risk resulting from volatile interest rates. Due to the high volatility in interest rates which is mitigated with hedging, the risk is considered to be medium. For additional information on hedging and risk management please refer to Note 18 and the Internal Controls and Risk Management chapter in the Corporate Governance Report.

Sensitivity Analysis 3m Euribor change	Interests in €k
1.00%	1,803

18 BOND

On 27th November 2020, Media and Games Invest SE issued a Senior Secured Floating Rate Callable Bond (ISIN: SE0015194527) with an original framework of € 80m. On 30th March 2021, MGI successfully placed a € 40m Tap Issue. The tap issue was priced above par, at 100.75%. The additional bonds were listed under the same ISIN on Nasdaq Stockholm and Frankfurt Stock Exchange Open Market. MGI Group has successfully placed a subsequent bond issue of € 150m under its existing Senior Secured Floating Rate Callable Bond on 18th June 2021 which was priced at 102% of par. As a prerequisite for the placement of the Subsequent Bond Issue, the Company received approval from existing bondholders to increase the framework of the Bond to € 350m. MGI Group placed another subsequent bond issue of € 80m on 2nd September 2021 which was priced at 103% of par. MGI successfully placed new senior secured floating rate callable bonds (ISIN SE0018042277) on 9th June 2022. The bonds priced at 98.00% of par with a floating rate coupon of EURIBOR (floored at zero) plus 6.25%. A third senior secured bond (ISIN: SE0019892241) was issued on 24th March 2023 with an initial amount of € 199,2m and a framework of € 300m. The bonds priced at 100.00% of par with a floating rate coupon of EURIBOR (floored at zero) plus 7.25%.

The Company offered a partial buy-back to the holders of MGI's outstanding senior secured floating rate bonds maturing on 27th November 2024 with ISIN SE0015194527 (the "Existing Bonds") in connection with the Bond Issue (the "Buy-Back"). Existing Bonds in an aggregate nominal amount of € 115,000,000 for the placement on 09th June 2022 and € 193,100,000 for the placement on 09th March 2023 was repurchased by the Company in the Buybacks.

The interest rate consists of a nominal interest rate of 6.25% p.a. plus 3 months EURIBOR, provided that EURIBOR is greater than 0. Interest payments are quarterly with the first payment on 21st September 2022. The bond has a term until 21st June 2026 at the latest. An early repayment by the issuer is possible as a whole or in part for the first time in December 2024 at 103% of the nominal value. Other early repayment possibilities exist in June 2025 (102%) and in December 2025 (101%).

MGI is exposed to interest rate risks from its emitted floating rate bonds. Both bond's interest index is the EURIBOR. MGI seeks to manage its interest rate risk with appropriate hedging instruments. To

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
Financial Statements – Group 125
Notes – Group 131
Financial Statements – Parent Company 193
Notes Parent Company 199
AUDITOR'S REPORT 207
DEFINITIONS 213

mitigate the risk from the floating interest rate MGI entered an interest rate swap with a nominal amount of € 100,000k hedging a nominal bond amount of 175,000. In addition, in 2023 MGI entered into a second interest rate swap with a nominal amount of € 150,000k hedging a nominal bond amount of 225,000. For the swaps MGI pays fixed and receives floating, the cash flows are settled on a net basis.

The following tables show the hedging instruments, the hedge balances as well as ineffectiveness adjustments.

	Hedging Instruments			
in €k	Nominal Volume	Fair Value Other Financial Assets	Fair Value Other Financial Liabilities	Fair Value Changes for Recognition of ineffectiveness
31-Dec-2023				
Interest Swap A	100,000	0	977	-97
Interest Swap B	150,000	0	4,155	-194
Total Interest Swaps	**250,000**	**0**	**5,132**	**-291**
31-Dec-2022				
Interest Swap A	100,000	545	0	0
Interest Swap B	0	0	0	0
Total Interest Swaps	**100,000**	**545**	**0**	**0**

	Cash-Flow Hedge	
in €k	Change in fair value for ineffectiveness	Cash-Flow Hedge Reserve Balance
31-Dec-2023		
Interest Rate Swap A	-97	-1,075
Interest Rate Swap B	-194	-4,348
Total Cash-Flow Hedges	**-291**	**-5,423**
31-Dec-2022		
Interest Rate Swap A	0	545
Interest Rate Swap B	0	0
Total Cash-Flow Hedges	**0**	**545**

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

19 LEASES

The Group leases various assets including buildings, operating and office equipment and software licenses. The lease terms are mainly between one and four years.

19.1 RoU Assets

The book value of the RoU assets and the depreciation by classes are broken down as follows:

in €k	Carrying amount 01-Jan-23	Additions	Depreciation	Carrying amount 31-Dec-23
RoU from building rental	3,548	302	1,509	2,341
RoU from vehicle leasing	27	0	10	17
Total	**3,576**	**302**	**1,519**	**2,359**

The RoU assets are included in the property, plant, and equipment.

19.2 Maturity Analysis of The Lease Liabilities

in €k	31-Dec-23	31-Dec-22
Up to 1 year	1,563	1,049
More than 1 year and up to 5 years	943	2,597
More than 5 years	0	0
Total	**2,506**	**3,646**

On 1st January 2023. the Group applied the weighted average value of the Group's marginal borrowing rate of 5.9% (2022: 5.9%). This was determined based on the loans received with a comparable term, which would be available to the Group for the acquisition of the assets. Interest expenses on leasing liabilities amounted to € 39,806k (2022: € 866k). The Group has no sale and leaseback transactions.

INTRODUCTION 3

BOARD OF DIRECTORS REPORT 21

CORPORATE GOVERNANCE REPORT 33

SUSTAINABILITY REPORT 64

FINANCIAL STATEMENTS 124

FINANCIAL STATEMENTS – GROUP 125

NOTES – GROUP 131

FINANCIAL STATEMENTS – PARENT COMPANY 193

NOTES PARENT COMPANY 199

AUDITOR'S REPORT 207

DEFINITIONS 213

20 DEFFERED TAX LIABILITIES

Deferred tax liabilities relate to timing differences that have emerged between the carrying amounts of intangible assets and their tax base within the framework of the initial consolidation of companies acquired amount to € 30.444k (2022: € 32,942k),

Deferred tax liabilities of € 20,026k (2022: € 19,866k) were recognized on timing differences between the carrying amount of tangible and intangible assets and the tax base and timing differences between the carrying amount of liabilities and its tax base amount to € 201k (2022: € 332k).

The deferred tax liabilities were netted off against the respective deferred tax assets for identical tax items totaling to € 21,787k (2022: € 28,702k), resulting in deferred tax liabilities in an amount of € 28,884k (2022: € 24,439k) after netting. Further explanations on the deferred taxes can be found in Note 33 Income taxes.

21 CURRENT PROVISIONS AND ACCRUALS

Current provisions and accruals are shown in two separate tables and are amounting to € 61,656k (2022: € 65,225k), where € 40,885k (2022: € 38,038k) are classified as accruals and € 20,771k (2022: € 27,188k) are classified as provisions. Accruals are detailed in the table below:

in €k	31-Dec-23	31-Dec-22
Personnel-related obligations	5,595	3,828
Audit and closing costs	704	552
Tax accruals	493	493
Accrued operational and consulting costs	34,093	33,164
Total	**40.885**	**38,036**

The development of provisions is shown in the table below.

in €k	Balance as of 01. Jan 23	Additions	Utilisation	FX effects	Reversal	Balance as of 31-Dec-23
Tax related provisions	5,959	2,351	-	- 231	- 1,213	6,867
Legal and advisory cost provisions	1,392	1,814	- 42	-	- 618	2,546
Other provisions	19,829	4,170	- 5,307	-	- 7,333	11,358
	27,179	8,335	- 5,349	- 231	- 9,164	**20,771**

Accruals are made for current, legal, and de facto obligations resulting from past events that are likely to lead to a future economic burden and whose size can be reliably estimated. If a changed estimate results in a reduction in the size of the obligation, the accrual is reversed accordingly, and the income is posted in the area that was originally charged with the expense when the accrual was posted. Other provisions mainly include litigation obligations.

All provisions have a term of up to one year.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
Financial Statements – Group 125
Notes – Group 131
Financial Statements – Parent Company 193
Notes Parent Company 199
AUDITOR'S REPORT 207
DEFINITIONS 213

22 TRADE PAYABLES

Trade payables mainly comprise outstanding amounts for the purchase of goods and services as well as current costs. Most suppliers do not charge interest for the first days after invoicing. Subsequently, different interest rates are payable on the outstanding amount.

The Management Board is of the opinion that the carrying amount of trade payables generally corresponds to their market value.

The maturity analysis of the trade payables as at 31 December 2023 is as follows:

in €k	up to 1 year	1 to 5 years
Trade payables	80,335	0
Total	**80,335**	**0**

in €k	up to 1 year	1 to 5 years
Trade payables	68,711	0
Total	**68,711**	**0**

23 PROVISIONS FOR DISPUTES AND DAMAGES

MGI Group is party to a number of disputes. For each separate dispute, an assessment of the most likely outcome is made, and reported in the consolidated financial statements, accordingly, see Note 21 extent a provision needs to be created or adjusted. Information relevant to potential value is taken into account up to the time of preparation of the consolidated financial statements.

24 OTHER FINANCIAL COMMITMENTS

Lease contracts that lead to other financial obligations are classified as leases in accordance with IFRS 16 and taken into account in the statement of financial position.

25 REVENUES

Revenues are generated from online sales, console, mobile games, and advertisement (casual games, roleplay games and strategy games) as well as media services (platform and advertising services). This is consistent with the revenue figures disclosed for each reportable segment in accordance with IFRS 8 Business Segments (refer to Note 5).

in €k	FY 2023	FY 2022
DSP	28,150	32,169
SSP	293,831	292,274
Total	**321,981**	**324,444**

As of December 31, 2023, MGI had deferred revenues with a duration up to maximum 12 (12) months, which resulted in partly unsatisfied performance obligations at year end. 100 (100) percent of the transaction price allocated to the partly unsatisfied contracts as of December 31, 2023, is expected to be recognized as revenue during the year 2024 (2023).

in €k	FY 2023	FY 2022
Deferred revenue DSP	979	972
Deferred revenue SSP	10,088	10,556

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
Financial Statements – Group 125
Notes – Group 131
Financial Statements – Parent Company 193
Notes Parent Company 199
AUDITOR'S REPORT 207
DEFINITIONS 213

The deferred revenue from the SSP mainly results from revenue recognition from games and is mainly relating to advance payments for pre-paid game cards and virtual currency (crowns) revenues for the Wizard101 and Pirate101 games.

The contractual liabilities relate to the advance payments received from customers for the use of games and media for which sales are realized over a certain period and reflect their value.

As permitted by IFRS 15, no disclosures are made regarding the remaining performance obligations as of 31 December 2023 or 31 December 2022 that have an expected original term of one year or less.

26 OWN WORK CAPITALISED

This item primarily includes personnel expenses and directly attributable rent in connection with the capitalization of development costs for the Games platform, Demand-Side-platform, Supply-Side-platform and for games which were capitalized as subsequent acquisition costs for intangible assets purchased. Further details on the own work capitalized can be found in Note 6 Intangible assets.

27 OTHER OPERATING INCOME

Other operating income includes the following items:

in €k	FY 2023	FY 2022
Currency exchange gains	0	5,498
Reimbursements	89	157
Revaluation of earn-outs	67,815	8,730
Other income	3,543	8,821
Total	**71,447**	**23,206**

Other operating income includes income from revaluation of earn outs, subleases and rights or licenses and compensations. Further details on earn outs can be found in Note 13 Non-Cash transactions.

28 PURCHASED SERVICES

Expense items such as revenue shares, payment costs, direct advertising expenses, royalties and server and technology costs are included in this position.

29 EMPLOYEE BENEFIT EXPENSE

The employee benefits expense of the Media and Games Invest Group amounted to € 77,975k (2022: € 76,207k).

in €k	FY 2023	FY 2022
Wages and Salaries	70,908	68,847
Social contributions	7,068	7,359
Total	**77,975**	**76,207**

The non-cash share-based transaction is recognized as employee benefits expense and amounted to € 1,396k for 2023 (2022: € 3,078k).

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

30 OTHER OPERATING EXPENSES

The other operating expenses include the following expenses:

in €k	FY 2023	FY 2022
Legal and advisory expenses	7,360	8,785
Audit expenses	2,263	453
Offices and rental expenses	903	1,530
Travel expenses	1,472	1,150
Other administration expenses	1,761	1,999
Marketing	4,711	1,506
IT & Telecommunication Expenses	10,087	8,434
Currency exchange expenses	1,958	103
Losses of receivables (bad debt)	553	580
Other not directly attributable expenses	1,318	2,460
Total	**32,386**	**27,001**

31 DEPRECIATION AND AMORTIZATION

With regard to the amortization of intangible assets and the depreciation of property, plant and equipment, we refer to the explanations regarding the intangible assets (Note 6) and property, plant and equipment (Note 7).

32 FINANCIAL RESULT

The financial income and financial expenses are comprised as follows:

in €k	FY 2023	FY 2022
Financial income	5,436	349
Financial expense	-55,502	-38,308
Total	**-50,065**	**-37,959**

Financial income and expenses originate from financial assets or liabilities that are measured at amortized cost. The exception being the income and expenses related to hedging. The net effect from hedge accounting for the period ending 31 December 2023 is € 381k.

33 INCOME TAXES

The components of the income taxes are as follows:

in €k	FY 2023	FY 2022
Current income taxes	1.247	4.362
Deferred taxes	1.471	4.703
Total income taxes	**2.718**	**9.064**

The current income taxes posted mainly comprise taxes on income in the USA, Spain, and Germany for the respective reporting years. Due to relocation, MGI is taxable in Sweden. In Sweden the corporate tax rate is 20,6%. Foreign income taxes are calculated using the tax rate applicable in the respective countries, which varies from 8.5% to 34.0% (2022: 13.4% to 32.5%). The transition of the expected tax expenses of the Group to the actual tax expenses for the reporting periods is depicted in the following table:

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

	FY 2023	FY 2022
Profit/(loss) before tax	48.936	-11.341
Expected income tax expense at 24,801% (2022: 25.566%)	-12.366	3.261
Effects of different tax rates	0	1.782
Change from (non-)recognition of tax losses/credits	-5.930	-4.230
Utilization of unrecognized tax losses	112	0
Expenses and income with no tax effects	17.719	-10.696
Tax income and expenses related to prior periods	-2.332	873
Other	79	-56
Total income tax	-2.718	-9.064
Effective tax rate	**5,6%**	**-79,9%**

The tax rate applied to the above-mentioned reconciliation corresponds to the Group's weighted average tax rate of weighted average tax rate of 25,270% (2022: 25.556%) determined by the local tax rates of the group companies weighted with their EBT.

Current income tax receivables amount to € 820k (2022: € 744k) and current income tax accruals and provisions amount to € 7,359k (2022: € 6,452k). Regarding income tax accruals also refer to Note 21.

Deferred tax assets and liabilities as of reporting date are as follows:

in €k	FY 2023	FY 2022
Tax carry forward losses	23,454	28,452
First - time consolidation of subsidiaries	1,936	2,180
Tangible and intangible assets	1,749	909
Liabilities	5.154	3,812
Total gross deferred tax assets	**32.293**	**35,353**
Less: Netting	-21.787	-28,702
Deferred tax assets	**10.506**	**6.651**
First - time consolidation of subsidiaries	30.444	32.942
Tangible and intangible assets	20,026	19,866
Liabilities	201	332
Total gross deferred tax liabilities	**50.671**	**53.140**
Less: Netting	-21.787	-28.702
Deferred tax liabilities	**28.884**	**24.439**

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

34 EARNINGS PER SHARE

Information about earnings per share is in accordance with IAS 33:

in €k	FY 2023	FY 2022
Undiluted	0.29	-0.13
Diluted	0.26	-0.13

The results and the weighted average number of shares for basic earnings per share are as follows:

in €k	FY 2023	FY 2022
Profit for the period attributable to the owners of the Company	**46,731**	**-20,317**
Profit for the period used in the calculation of basic earnings per share	**46,731**	**-20,317**

in k	FY 2023	FY 2022
Undiluted weighted average number of shares for the calculation of basic earnings per share	**159,249**	**156,182**
Diluted weighted average number of shares for the calculation of basic earnings per share	**177,449**	**174,382**

35 BUSINESS TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the Company and its subsidiaries, which are related parties, have been eliminated during consolidation and are not explained in these notes. Details of transactions between the Company and other related parties are given below. In addition to the Management Board, family members close to the Board and, in principle, investments and the shareholders can all be considered relationships to associated companies and persons under IAS 24 Related Party Disclosures.

Tobias M. Weitzel is a member of the six-member Board of Directors of the Company since the 31st of May 2018, and Chairman since the 15th of September 2022. He holds 500,000 ESOP and 1,209,228 shares in the Company, as of the 31st December 2023. Remco Westermann is a member of the Board of Directors since the 31st of May 2018 and CEO of the Company and personally holds 90% of the shares and voting rights in Sarasvati GmbH, which in turn holds 100% of the shares and voting rights in Bodhivas GmbH, which in turn holds 27.7% (44,071,587 shares) of the shares and voting rights in MGI, as of the 31st of December 2023. In 2023 Bodhivas GmbH rolled over €

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
Financial Statements – Group 125
Notes – Group 131
Financial Statements – Parent Company 193
Notes Parent Company 199
AUDITOR'S REPORT 207
DEFINITIONS 213

1,000k Senior Secured Bonds of MGI (ISIN: SE0015194527) maturing in 2024 into the new Senior Secured Bonds of MGI (ISIN: SE0019892241) maturing in 2027. Remco Westermann is the Managing Director of Bodhivas GmbH, Sarasvati GmbH, Garudasana GmbH, Bodhisattva GmbH, Jarimovas GmbH, and Kittelbach RW Immobilien UG, Düsseldorf. Additionally, Jaap Westermann holds 10% of the shares in Sarasvati GmbH. Hendrika Westermann is the wife of Remco Westermann, Jaap Westermann is the brother of Remco Westermann, Hendrika, Jaap and Remco Westermann are directors of Jarimovas GmbH, Düsseldorf. Elizabeth Para is a member of the Board of Directors of the Company since the 31st January 2020. She holds 500,000 ESOP and 1,505,716 shares in the Company as of December 31, 2023. Franca Ruhwedel is a member of the Board of Directors of the Company since the 15th September 2022. She holds 4,625 shares in the Company, as of the 31st December 2023. Johan Roslund is a member of the Board of Directors of the Company since the 15th September 2022. He holds 4,900 shares in the Company, as of the 31st December 2023. Mary Ann Halford is a member of the Board of Directors of the Company since September 15, 2022. Paul Echt is CFO of the Company. He is Managing Director of PE Global Invest GmbH. Paul Echt holds 2,250,000 ESOP and 328,679 shares in the Company. Jens Knauber is COO of the Company. He is Managing Director of elbdiamond digital GmbH. Jens Knauber holds 3,100,000 ESOP and 15,000 shares in the Company. During the reporting period Ionut Ciobotaru was CPO of MGI but left the Company in July 2023. He is Managing Director of Ionut UG and Good Deals Ventures SRL. In the first 9-month 2023 Ionut UG received € 1,650k in earn-out payments from the disposal of PubNative in 2020. € 500k of the proceeds were used to buy Senior Secured Bonds of MGI (ISIN: SE0019892241) maturing in 2027. Sameer Sondhi is CRO of the Company. He is Managing Director of Sondhi LLC. Sameer Sondhi holds 900,000 ESOP in the Company. During the reporting period Sonja Lilienthal was CIO of the Company. She has left the Company with effect from the 31st December 2023. She is Managing Director of Valliorum UG.

Remuneration in 2023 (€k)	Basic compensation	Variable remuneration	Costs for share-based benefits	Other benefits	Severance	Total
Board of Directors	404	0	71	0	0	475
MGI C-Level incl. CEO	1,959	1,021	244	113	62	3,399
Chief Executive Officer	500	187	0	32	0	719

Remuneration in 2022 (€k)	Basic compensation	Variable remuneration	Costs for share-based benefits	Other benefits	Severance	Total
Board of Directors	131	0	113	0	0	244
MGI C-Level incl. CEO	1,384	998	1,502	96	0	3,980
Chief Executive Officer	350	250	0	32	0	632

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

36 EMPLOYEES

The average number of employees was:

	2023			2022		
	Total	Of whom women	Of whom men	Total	Of whom women	Of whom men
Germany	289	40%	60%	331	37%	62%
USA	238	29%	71%	244	32%	66%
Spain	39	28%	72%	35	20%	80%
India	34	25%	75%	38	21%	79%
Rest of the World	106	38%	62%	119	35%	65%
Total	**707**	**35%**	**65%**	**767**	**34%**	**66%**

37 AUDITORS' FEES FOR ANNUAL FINANCIAL STATEMENTS

For the services provided in the financial years 2023 and 2022 by the auditor, the following fees were recorded as expenses for the audits of the respective annual financial statements:

in €k	FY 2023		FY 2022	
	Deloitte	Other elected auditors	RSM	Other elected auditors
Audit fees	2,168	58	83	278
Audit-related fees	37			
Consultation, all other fees			83	
Total fees per appointed auditor	2,206	58	83	278
Total fees to the appointed auditor		2,264		361

38 GOVERNING BOARD OF THE COMPANY AND REMUNERATION

In the business year from 1st January to 31st December 2023, the Board of Directors of the Company comprised the following persons:

- Tobias M. Weitzel
- Mary Ann Halford
- Elizabeth Para
- Johan Roslund
- Franca Ruhwedel
- Remco Westermann

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

The Board of Directors will receive the below renumeration for the presented period.

Remuneration in 2023 (€k)	Basic compensation	Variable remuneration	Costs for share-based benefits	Other benefits	Pension expenses	Total
Board of Directors Total	404	0	71	0	0	475

Remuneration in 2022 (€k)	Basic compensation	Variable remuneration	Costs for share-based benefits	Other benefits	Pension expenses	Total
Board of Directors Total	131	0	113	0	0	244

As at 31st December 2023, as in the entire year and the previous year, there were no advances or loans to members of the Management Board.

39 EVENTS AFTER THE END OF REPORTING PERIOD

The following events are to be reported as fundamental changes taking place after the end of reporting period:

DATASEAT LTD. AMENDMENT TO THE SHARE PURCHASE AGREEMENT

MGI entered into a Share and Purchase Agreement on 30th June 2022 for the purchase of all the shares in Dataseat Ltd. Under the terms and conditions of the Agreement, MGI could elect to pay the Deferred Consideration by way of a Share Issue Settlement, a Share Transfer Settlement or a Cash Settlement or a combination thereof and the amount was to be paid in June 2025. Subsequently a financial liability amounting to € 7,538m was recognized in the balance sheet of MGI. In the beginning of 2023 the Company carried out a directed issue of 3,199,990 warrants to cover existing obligations for a potential share-based settlement of a Deferred Payment and Earn-out Payment related to the acquisition

On 23rd February 2024, MGI and the sellers entered a Deed of Amendment in which it was agreed upon to pay the deferred consideration components in cash and that the payment be paid in February 2024. This event has no impact on the figures as at 31st December 2023. For this reason, 1,599,995 of the 3,199,990 warrants originally issued were cancelled at the end of March 2024.

Media and Games Invest SE

INTRODUCTION	3
BOARD OF DIRECTORS REPORT	21
CORPORATE GOVERNANCE REPORT	33
SUSTAINABILITY REPORT	64
FINANCIAL STATEMENTS	124
Financial Statements – Group	125
Notes – Group	131
Financial Statements – Parent Company	193
Notes Parent Company	199
AUDITOR'S REPORT	207
DEFINITIONS	213

Financial Statements – Parent Company

Parent Company's Statement of Financial Position

in €k	Notes	2023	2022
Investments in subsidiaries	7	222,313	222,013
Other non-current financial assets from group companies	8	81,950	74,971
Other non-current financial assets	8		17,941
Total non-current assets		**304,263**	**314,925**
Receivables from group companies	9	282,582	296,596
Other Receivables	9	234	149
Cash and cash equivalents	10	4,837	12,147
Total current assets		**287,654**	**308,893**
Total assets		**591,917**	**623,818**

Note: Numbers may not add up due to rounding.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

Parent Company's Statement of Financial Position

in €k	Notes	2023	2022
Common stock	11	159,249	159,249
Additional paid-in capital	11	103,518	103,518
Other reserves	11	-1,616	-2,880
Accumulated retained earnings		-57,247	-32,564
Total Shareholders' equity		**203,904**	**227,323**
Bonds	14	349,016	390,958
Total non-current liabilities		**349,016**	**390,958**
Current provisions and accruals	15	623	416
Trade payables to group companies	16	2,215	2,641
Trade payables	16	63	94
Other financial liabilities	12	36,097	2,387
Total current liabilities		**38,997**	**5,538**
Total shareholders' equity and liabilities		**591,917**	**623,818**

Note: Numbers may not add up due to rounding.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

Parents Company Income Statement

in €k	Notes	2023	2022
Revenue	2	2.875	253
Other own work capitalized		0	0
Other operating income	3	339	1,324
Purchased services		0	0
Employee benefits expenses		-1,941	-3.125
Wages and salaries		-1,800	-3.125
Social security		-142	0
Other operating expenses	4	-2,118	-14.784
Earnings before interest, taxes, depreciation, and amortization (EBITDA)		**-844**	**-16,332**
Depreciation and amortization		0	0
Earnings before interest and taxes (EBIT)		**-844**	**-16,332**
Financial expense	5	-43,716	-26,139
Financial income		19,909	18,229
Earnings before taxes (EBT)		**-24,652**	**-24,242**
Income taxes	6	-31	0
Result from continuing operations, net of income tax		**-24,683**	**-24,242**

Note: Numbers may not add up due to rounding.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

Parent Company's Comprehensive Income

in €k	Notes	2023	2022
Net Result		**-24,683**	**-24,242**
Items that will not be reclassified to profit or loss under certain conditions:			
Gain / Loss of Equity Instruments IAS 32		-132	-6,392
Other comprehensive income, net of income tax			
Total comprehensive (loss)/income		**-24.815**	**-30.634**

Note: Numbers may not add up due to rounding.

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
Financial Statements – Group 125
Notes – Group 131
Financial Statements – Parent Company 193
Notes Parent Company 199
AUDITOR'S REPORT 207
DEFINITIONS 213

Parents Company' Statement of Changes in Equity

	Common stock		Share Premium	Amounts recog-nized directly as equity	Retained earnings incl. profit of the year	Shareholders' equity
	Shares thousands	Amount €k	Amount €k	Amount €k	Amount €k	Amount **€k**
Balance at 1st January 2022	**149,680**	**149,680**	**84,571**	**1,534**	**195,722**	**431,507**
Total comprehensive income for the year	0	0	0	0	-228,286	-228,286
Capital increases	9,569	9,569	18,947			28,516
Other comprehensive income				-6,392		-6,392
Other reserves				1,978		1,978
Balance at 31st December 2022	**159,249**	**159,249**	**103,518**	**-2,880**	**-32,564**	**227,323**
Balance at 1st January 2023	**159,249**	**159,249**	**103,518**	**-2,880**	**-32,564**	**227,323**
Total comprehensive income for the year					-24,683	-24,683
Other Equity reserves regarding IFRS 2				1.396		1,396
Other Equity reserves				-132		-132
Balance at 31st December 2023	**159,249**	**159,249**	**103,518**	**-1,616**	**-57,247**	**203,904**

Note: Numbers may not add up due to rounding.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
Financial Statements – Group 125
Notes – Group 131
Financial Statements – Parent Company 193
Notes Parent Company 199
AUDITOR'S REPORT 207
DEFINITIONS 213

Parents Company's Cash Flow Statement

in €k	FY 2023	FY 2022
Net result	-24.683	-24.242
Other non-cash income/expenses	1.396	-6.119
Booked income taxes	31	0
Booked financial expenses	23.808	34.748
Income taxes paid	-1	0
Cash flow from operating activities (before change in WC)	551	4.387
Net change in working capital	*28.058*	*-134.095*
Cash flow from operating activities	**28.610**	**-129.708**
Payments for the capital increase subsidiaries	-300	0
Deposits/Payments for financial instruments	10.830	6.392
Cash flow from investing activities	**10.530**	**6.392**
New share issue	0	28.517
Deposits from the issue of bonds	0	42.733
Repayment of bonds	-8.162	0
Payments made for financial loans	805	-4.181
Interest paid	-39.092	-26.838
Cash flow from financing activities	**-46.450**	**40.231**
Cash flow for the period	-7.310	-83.085
Cash and cash equivalents at the beginning of the period	12.147	95.232
Exchange rate differences in cash and cash equivalents	0	0
Cash and cash equivalents at the end of the period	**4.837**	**12.147**

Note: Numbers may not add up due to rounding.

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
Financial Statements – Group 125
Notes – Group 131
Financial Statements – Parent Company 193
Notes Parent Company 199
AUDITOR'S REPORT 207
DEFINITIONS 213

NOTES PARENT COMPANY

1 SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of Preparation

The parent company's financial statements have been prepared according to the Swedish Annual Accounts Act and RFR 2 Reporting for legal entities and other statements issued by the Swedish Financial Reporting Board.

The parent company follows the same accounting policies as the Group (see Group Note 2) with the following exceptions:

Subsidiaries
Shares in subsidiaries are recognized at cost, including expenses directly related to the acquisition, less any impairment.

Group Contribution and Shareholders' Contribution
Group contributions are reported as appropriations in the income statement. The shareholders' contribution is reported in equity in the receiving company and is activated as shares in group companies in the parent company, unless a write-down is required.

Taxes
Untaxed reserves are reported without split on equity and deferred tax in the balance sheet of the parent company, unlike how it is reported in the group. Correspondingly, in the income statement, no allocation of appropriations to deferred tax expense is made.

Other Information
The annual report has been approved by the Board of Directors on the 18th of April 2024. The balance sheet and income statement are subject to adoption by the Annual General Meeting on the 13th of June 2024.

Leasing
IFRS 16 Lease accounting is applied on group level and not on entity level.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

2 REVENUE

Revenues are generated primarily from sales to other companies within the Group. Revenue amounted to € 2,875k as of 31st December 2023 (2022: € 253k).

3 OTHER OPERATING INCOME

Other operating income includes the following items:

in €k	FY 2023	FY 2022
Reimbursements	339	12
Other income	0	1,312
Total	**339**	**1,324**

4 OTHER OPERATING EXPENSES

in €k	FY 2023	FY 2022
Legal and advisory expenses	2,279	4,550
Audit expenses	57	15
Offices and Rental expenses	9	6
Other administration expenses	72	46
Currency Exchange expenses	-436	9,881
Other not directly attributable expenses	137	285
Total	**2,118**	**14,784**

5 FINANCIAL RESULT

The financial income and financial expenses are comprised as follows:

in €k	FY 2023	FY 2022
Financial income	19,909	18,229
Financial expense	-43,716	-26,139
Total	**-23,808**	**-7,910**

Financial income and expense result from financial assets and liabilities measured at amortized cost.

6 INCOME TAXES

Income tax expense was recognized amounting to € 31k (2022: nil).

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

7 INVESTMENT IN SUBSIDIARIES

The details of investments in subsidiaries are as follows:

Name	Principal activities	Ownership 2023 %	Ownership 2022 %	2023 €k	2022 €k
Samarion GmbH	Holding	100	100	0	0
Media and Games Services AG	Consulting	100	100	1,105	1,105
gamigo Holding GmbH (formerly blockescence DLT solutions GmbH)	Holding	100	100	12,168	12,168
Vajrapani Limited	Holding	100	100	285	285
Verve Holding GmbH	Holding	100	100	183,423	183,423
Platform 161 Holding B.V.	Consulting	100	100	19,942	19,642
ME digital GmbH	Consulting	100	100	5,390	5,390
Total Investments				**222,313**	**222,013**

8 NON-CURRENT FINANCIAL ASSESTS

As at 31st December 2023, MGI presents non-current financial assets of € 81,950k (2022: € 92,912k). In 2023 the non-current financial assets related to intercompany non-current loans (2022: € 74,971k).

9 RECEIVABLES

Related parties (Loan and interest receivables)	Loans		Interest receivables		Weighted Average
in €k	FY 2023	FY 2022	FY 2023	FY 2022	Interest Rate
gamigo AG	155,613	186,334	29,078	18,835	5.75%
Verve Holding GmbH	81,950	74,971	10,855	6,010	5.75%
gamigo Holding GmbH	68,660	72,800	9,010	4,805	5.75 - 7.00%
Platform 161 Holding B.V.	1,644	1,644	2,580	1,964	9.80 -12.00%
Samarion GmbH	1,024	1,024	355	282	7.00%
Media and Games Services AG	500	1,451	69	25	6.25%
MGI Corporate GmbH	0	900	0	31	5.75%
Total Receivables	**309,391**	**339,124**	**51,947**	**31,952**	

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
Financial Statements – Group 125
Notes – Group 131
Financial Statements – Parent Company 193
Notes Parent Company 199
AUDITOR'S REPORT 207
DEFINITIONS 213

Related parties (Trade Receivables)

	Trade Receivables	
in €k	**FY 2023**	**FY 2022**
Verve Group Europe GmbH	1,273	0
MGI Corporate GmbH	553	0
Smaato Inc.	497	0
Kingsisle Entertainment Inc	316	0
Verve Group Inc	283	253
Verve Ad Solutions GmbH	213	0
Verve AR Services LLC	34	12
Vajrapani Limited	26	26
Media and Games Services AG	0	200
Total Current Receivables	**3,195**	**491**

Related parties (Interest Income)

	Related Parties - Interest income	
in €k	**FY 2023**	**FY 2022**
gamigo AG	10,056	10,110
gamigo Holding GmbH	4,205	3,655
Verve Holding GmbH	4,845	3,580
Samarion GmbH	73	73
MGI Corporate GmbH	28	31
Media and Games Services AG	52	25
Platform 161 Holding B.V.	616	755
Total Interest Income	**19,875**	**18,229**

The non-current receivables due from Verve Holding GmbH amount to € 81,950k (2022: € 74,971k). The balance is included in Other non-current financial assets. Refer to the table above under Verve Holding GmbH for current receivables and interest.

All current loans are unsecured and payable upon demand. Interest income was recognized in the statement of comprehensive income.

In addition, there were receivables to Verve Group Europe GmbH, of € 1,273k (2022: € 0k) and other related parties amounting to € 1,922k (2022: € 491k). Furthermore, non-financial assets included in Receivables amounting € 233k (2022: € 150k) were recognized as of 31 December 2023.

The Company is required to measure the loss allowance for its outstanding receivables at an amount equal to 12-months Expected Credit Losses. The loans are expected to be settled upon demand; therefore the Company does not expect any credit losses within the relevant period and no credit loss allowance was recognized during the year.

10 CASH AND CASH EQUIVALENTS

Cash and cash equivalents amounted to € 4,837k as of 31 December 2023 (2022: € 12,147k).

11 SHAREHOLDERS' EQUITY

Please refer to Note 14 in the consolidated financial statements.

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

12 FINANCIAL LIABILITIES

The financial liabilities are divided into the following classes:

in €k	31 Dec 23	31 Dec 22
Bonds (non-current)	349,016	390,958
Bonds (current)	34,584	0
Interest on bonds (current)	1,481	2,387
Total	**385,081**	**393,345**

The weighted average effective interest rate is as follows:

in %	31 Dec 23	31 Dec 22
Bonds	11.5	7.4

Refer to Note 13 for the bonds. In 2023 long term bonds amounting to € 34,584k were reclassified from long term to short term.

The development of financial liabilities as at 31st December 2023 is as follows:

in €k	01 Jan 23	Additions	Reclassification	Payment	Interest accretion	31 Dec 23
Bonds (current)			34,584			34,584
Bonds (non-current)	390,958	-3,557	-34,584	-8,162	4,362	349,016
Interest on bonds (current)	2,387	-393		-39,092	38,580	1,481
Total	**393,344**	**-3,950**	**0**	**-47,255**	**42,942**	**385,081**

The maturity analysis of the financial liabilities is as follows:

As at 31st December 2023

in €k	up to 1 year	1 to 5 years
Bonds	34,584	349,016
Interest on bonds (current)	1.481	0
Total	**36.065**	**349.016**

As at 31st December 2022

in €k	up to 1 year	1 to 5 years
Bonds	0	390,958
Interest on bonds (current)	2,387	0
Total	**2,387**	**390,958**

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
FINANCIAL STATEMENTS – GROUP 125
NOTES – GROUP 131
FINANCIAL STATEMENTS – PARENT COMPANY 193
NOTES PARENT COMPANY 199
AUDITOR'S REPORT 207
DEFINITIONS 213

Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Company's statement of cash flows as cash flows used in financing activities.

	Liabilities		Equity	
	Other loans and borrowings	Bond	Share capital/ premium	Total
Balance at 1st January 2023	**3,069**	**346,201**	**234,250**	**583,520**
Changes from financing cash flows				
Proceeds from issuance of shares			28,517	28,517
Proceeds from issuing bonds		42,733		42,733
Payments of other financial liabilities	-1,085			-1,085
Interest paid	-25,736			-25,736
Total changes from financing cash flows	**-26,821**	**42,733**	**28,517**	**44,429**
Other changes				
Interest expense	26,139			26,139
Other changes		2,024		2,024
Total liability-related other changes	**26,139**	**2,024**		**28,163**
Balance at 31st December 2023	**2,387**	**390,958**	**262,767**	**656,112**

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
Financial Statements – Group 125
Notes – Group 131
Financial Statements – Parent Company 193
Notes Parent Company 199
AUDITOR'S REPORT 207
DEFINITIONS 213

13 BOND

Please refer to Note 18 of the consolidated financial statements.

14 CURRENT PROVISIONS AND ACCRUALS

Current provisions recognized in the financial year 2023 amounted to € 0k (2022: € 183k).

Accruals recognized for the financial year 2023 amounted to € 623k (2022: € 233k).

15 TRADE PAYABLES

Trade payables mainly comprise outstanding amounts for the purchase of services as well as current costs.

Most suppliers do not charge interest for the first days after invoicing. Subsequently, different interest rates are payable on the outstanding amount.

The Management Board is of the opinion that the carrying amount of trade payables generally corresponds to their market value.

16 EMPLOYEES

The average number of employees in the parent company is 6 (0), of whom 1 (0) are women and 5 (0) are men.

17 PROPOSED APPROPRIATION OF PROFIT

The Board of Directors proposes that no dividend is paid for the financial year 2023 and that the residue of this year's result shall be carried forward, to be decided at the 2024 Annual General Meeting in June.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
Financial Statements – Group 125
Notes – Group 131
Financial Statements – Parent Company 193
Notes Parent Company 199
AUDITOR'S REPORT 207
DEFINITIONS 213

GUARANTEE OF THE BOARD

The Board of Directors and CEO affirm that the consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and provide a true and fair view of the Group's profit and financial position. The Annual Report has been prepared in accordance with the generally accepted accounting policies and provides a true and fair view of the Parent Company's profit and financial position. The statutory Board of Directors' Report for the Group and the Parent Company provides a true and fair overview of the development of the Group's and Parent Company's operations, profit and financial position and describes significant risks and uncertainty factors faced by the Parent Company and the companies included in the Group.

APPROVED BY THE BOARD OF DIRECTORS ON 18TH APRIL 2024 AND SIGNED ON ITS BEHALF BY:

TOBIAS M. WEITZEL
CHAIRMAN OF THE BOARD

MARY ANN HALFORD
MEMBER OF THE BOARD

ELIZABETH PARA
MEMBER OF THE BOARD

JOHAN ROSLUND
MEMBER OF THE BOARD

FRANCA RUHWEDEL
MEMBER OF THE BOARD

REMCO WESTERMANN
CEO AND MEMBER OF THE BOARD

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
GUARANTEE OF THE BOARD 206
AUDITOR'S REPORT 207
DEFINITIONS 213

AUDITOR'S REPORT

To the general meeting of the shareholders of MGI - Media and Games Invest SE, corporate identity number 517100-0143

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of MGI – Media and Games Invest SE for the financial year 2023-01-01 - 2023-12-31 except for the corporate governance statements on pages 33–61 and sustainability report on pages 64–122. The annual accounts and consolidated accounts of the company are included on pages 21-32 and 124-206 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2023 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2023 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and statement of financial position for the parent company and income statement, comprehensive income and statement of financial position for the group.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Other information

The audit of the annual accounts for the financial year 2022-01-01 - 2022-12-31 has been carried out by another auditor who submitted an audit report dated 28th April 2023 with unmodified statements in the Report on the annual accounts. section.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
GUARANTEE OF THE BOARD 206
AUDITOR’S REPORT 207
DEFINITIONS 213
CONTACT 222

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Revenue recognition

MGI Group reports revenue of EUR 322 million for the financial year 2023-01-01 - 2023-12-31. MGI has multiple revenue streams from a large number of customers. Revenues are characterized by a large volume of low value transactions, but also instances of transactions requiring management estimates and judgment such as determining fair values and the period in which the revenue should be recognized.

In Note 2 the Group’s accounting principles for revenue recognition are described and in Note 5 revenue by segment is presented.

Our audit procedures included, but were not limited to:

- evaluating whether the accounting principles applied by management for revenue are in accordance with IFRS,
- walk-through of relevant internal controls in IT systems critical for financial reporting,
- walk-through relevant revenue process controls,
- testing different revenue streams on a sample basis to ensure appropriate revenue recognition,
- audit of expected credit losses including allowance for expected credit losses, and
- evaluating the adequacy of disclosures related to the various revenue streams and allowances for expected credit losses.

Valuation of goodwill and other intangible assets

MGI Group reports goodwill and other intangible assets of EUR 797 million as of 31 December 2023. On an annual basis management impairment tests the carrying value of goodwill and other intangible assets. The impairment assessments are complex and require management’s estimates and judgement in determining the Group’s cash generating units, the method selected for determining the recoverable amount as well as assumptions used regarding future growth rates, profit margins, investment levels and discount rates.

In Note 2 the Group’s accounting principles for impairment testing of goodwill and intangible assets are described, and Note 6 describes the key assumptions used by management when preparing the annual impairment assessments.

Our audit procedures included, but were not limited to:

- assessing MGI’s principles and procedures when preparing its impairment tests for compliance with IFRS,
- assessing the valuation methodology and valuation assumptions used by management with the support of our valuation specialists,
- assessing the reasonableness of the business assumptions used, such as management’s forecasts of future cash flows,
- testing the mathematical accuracy of the models used for impairment testing, and

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
GUARANTEE OF THE BOARD 206
AUDITOR'S REPORT 207
DEFINITIONS 213
CONTACT 222

- evaluating the appropriateness of disclosures made in the financial statements.

Other information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-20 and 213-222. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
GUARANTEE OF THE BOARD 206
AUDITOR'S REPORT 207
DEFINITIONS 213
CONTACT 222

an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
GUARANTEE OF THE BOARD 206
AUDITOR'S REPORT 207
DEFINITIONS 213
CONTACT 222

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of MGI – Media and Games Invest SE for the financial year 2023-01-01 - 2023-12-31 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit to be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
GUARANTEE OF THE BOARD 206
AUDITOR'S REPORT 207
DEFINITIONS 213
CONTACT 222

a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

Deloitte AB, was appointed auditor of MGI - Media and Games Invest SE by the general meeting of the shareholders on the 2023-06-30 and has been the company's auditor since 2023-01-02.

Stockholm April 18 2024
Deloitte AB

Christian Lundin
Authorized Public Accountant

DEFINITIONS

Non-IFRS Measures

Key figure	Definition
Net Result	Total income minus operating expenses, depreciation and amortization, financial result, and taxes
EBIT	Earnings before interest and taxes
EBIT margin	EBIT as a percentage of net revenues
EBITDA	Earnings before interest, taxes, depreciation, and amortization
Adjusted EBITDA	EBITDA excluding items affecting comparability
Adjusted EBITDA margin	Adjusted EBITDA as a percentage of net revenues
Equity ratio	Equity as a percentage of total assets
Growth in revenues	Net sales for the current period divided by net sales for the corresponding period of the previous year
Leverage Ratio	Net Interest-Bearing Debt excluding shareholder and related party loans divided by adj. EBITDA for the past 12 months
Pro-forma leverage	Net Interest-Bearing Debt excluding shareholder and related party loans divided by adj. EBITDA of the group plus adjusted EBITDA from M&A for the past 12 months
Interest Coverage Ratio	Adj. EBITDA divided by net cash interest expenses for the past 12 months
Organic Revenue Growth	Organic Revenue Growth does include growth calculated on a year-over-year basis from companies being within the Company for twelve months or more. What is excluded is the revenue growth from acquisitions that have not been part of the Company in the last twelve months, and the decline from sales stemming from closures/divestment of businesses.
Software Clients	Software Clients with annual gross revenues exceeding $ 100k USD.

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213
Non-IFRS Measures 213
Ad-tech Glossary 214

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213
NON-IFRS MEASURES 213
AD-TECH GLOSSARY 214

Ad-tech Glossary

Key figure	Definition
Ad Agencies	Ad agencies, also known as advertising agencies, are strategic media buying or full-service creative companies that partner with brand advertisers and marketers to develop, plan, design, produce, and supervise ad campaigns across all platforms.
Ad Exchange	Ad exchanges are real-time online marketplaces that allow participants to buy and sell ad spaces and ad impressions in the digital advertisement space. An ad exchange is central to the advertising transaction exchange between publishers and advertisers. Using a financial analogy, ad exchanges are to advertisements what stock exchanges are to stocks.
Ad Format	The type and size of the ad that is being displayed to the user. The type can include video, banner, native ad and many more.
Ad Fraud	Ad fraud is an activity that involves deceiving advertisers on the real traffic level of a website and the real interaction level with the displayed ad. There are many ways in which this type of deception can be implemented (e.g. bots could be used to fictitiously elevate website traffic while the bots could also be instructed to interact with the ad by way of a click). Down the line, a cost is collected against the fictitious impression and/or interaction with the ad.
Ad Impression	An ad impression occurs each time an ad is displayed to a user.
Ad Network	An ad network is a third-party service that connects advertisers with websites and apps (publishers) that agree to host ads. Ad networks use real-time bidding to buy and place ads on behalf of their clients, which can include major brands, small businesses, and everyone in between. An ad network gives advertisers access to a wide range of potential placements for their ads. Using a financial analogy, ad networks are to ads what stockbrokers are to stocks.
Ad Request	An ad request is a request to a system for displaying an ad. More specifically, an ad request would occur when a browser or application requests an ad from the ad server. An ad request is counted every time a mobile site or app calls the Verve Group's platform to display an ad.
Ad Server	Ad servers host a range of ads that can be displayed on a website or an application. Ad servers analyze the data provided by applications and browsers (e.g. browser cookies, location, publisher ID, etc.) and display the appropriate ad based on the data. In addition to managing ad inventory, ad servers provide valuable information for effective ad targeting, as well as tracking the effectiveness of an ad campaign.
Ad Space	An ad space is an area on a web page or in a mobile app that is available for displaying an advertisement.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213
NON-IFRS MEASURES 213
AD-TECH GLOSSARY 214

Key figure	Definition
Ad Targeting	Ad targeting, also known as targeted advertising, refers to the practice of reaching a particular group of consumers or audience, with specific ad content. It is the process of matching ads with the correct end user, based on the end user's traits, interests, and preferences. These users are typically segmented into audience categories that display similar characteristics and who are likely to be converted when the appropriate ad is displayed to them. Ad targeting's ultimate goal is to increase the likelihood of the consumer interacting with the advertisement. Ad targeting plays a central role in advertising, as it can lead to higher returns on investments for advertisers and higher revenues for publishers.
Ad-tech	Advertising technology, or ad-tech, is an umbrella term that describes the tools and software advertisers use to create, manage, target and analyze digital ad campaigns. An ad-tech company can be any company that operates in the ad-tech value chain, most relevant ones include demand-side platforms (DSPs), data management platforms (DMPs), supply-side platforms (SSPs) and ad exchanges, amongst others.
Advertiser	An individual or company promoting their product or services through a public medium. Advertisers are interested in getting the best returns on investments on every ad dollar spend. In the ad-tech ecosystem, they sit at the opposite end of the publisher.
Application	A piece of software that is downloaded to run on a mobile phone or a tablet computer, typically from an app store or from an internet site.
Auction	An auction in advertising allows an ad space to be bought and sold in real-time. Consequently, advertisers can bid on ad space in a competitive auction, providing both publishers and advertisers with an efficient way to leverage opportunities.
Audience	The audience in advertising refers to the group of people who will be exposed to the ad. Advertisers want to target their ads to users who are likely to be interested in their product or services by understanding their audience. The audience can refer to a specific demographic, such as women aged 18-24. Advertisers use different types of datasets to target their ads to specific audiences, e.g., they may use demographics, interests or location data, amongst many others.
Banner	Also known as "display ads," banner advertisements are a form of graphical ads, typically including a combination of static / animated images, text, and / or video designed to convey a marketing message or to cause the user to take an action. Banner dimensions are typically defined by width and height, represented in pixels.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213
NON-IFRS MEASURES 213
AD-TECH GLOSSARY 214

Key figure	Definition
Behavioral advertising	Behavioral advertising is the process of creating audience segments, by assigning each segment users who display similar browsing behavior and activity. Each segment contains users who are likely to exhibit similar purchasing preferences and thus, the ultimate purpose of behavioral advertising is to show a given ad to the correct end user. Although behavioral advertising is an effective method, it generally requires (but not always) the tracking of cookies and identifiers to establish an understanding of how users behave. Keeping track of consumer behavior is becoming increasingly challenging as data privacy concerns grow. A recent example of the changes occurring in the privacy landscape is the update Apple brought to IDFA (identifier for advertisers), which gives Apple users the possibility to choose whether applications can track their behavior in third-party applications. In the same update, applications must also prompt users to opt-in (that is, authorize cross-app tracking). IDFA is used for segmenting users and allows advertisers to perform effective ad targeting. Apple's update has thus decreased the accuracy of ad targeting but has, importantly, improved the privacy of its end users.
Buyer	A company that contracts with a demand partner to buy ad space (inventory), such as a trading desk or ad agency.
Click Through Rate (CTR)	Click Through Rate (CTR), is the percentage of ad impressions to the recorded clicks. CTR is a way of measuring the success of an online advertising campaign. For example, if a banner ad was delivered 100 times and one person clicked on it, then the resulting CTR would be 1%. CTR typically ranges from 0.8 – 1%.
CPC	A cost per click (CPC), also known as pay per click (PPC), is a pricing model that determines the cost of an ad campaign based on the number of clicks an advertisement receives. The click will typically direct the consumer to the advertiser's website. CPC is calculated as CPC = Advertising cost / Number of clicks
CPI	CPI or cost per installation is a pricing model in digital advertisement, by which the cost of an ad campaign is based on the number of installations an advertisement generates. CPI is calculated as CPI = Ad campaign cost / Number of installations

Media and Games Invest SE

INTRODUCTION 3

BOARD OF DIRECTORS REPORT 21

CORPORATE GOVERNANCE REPORT 33

SUSTAINABILITY REPORT 64

FINANCIAL STATEMENTS 124

AUDITOR'S REPORT 207

DEFINITIONS 213

Non-IFRS Measures 213

Ad-tech Glossary 214

Key figure	Definition
CPM	CPM or cost per mille is the cost of reaching 1,000 ad impressions. CPM is a pricing model where you pay a certain price for 1,000 impressions your ad receives. Advertisers often use this pricing model to create brand awareness or to promote a specific message because it is more exposure-focused than cost-per-click. This key metric is used to compare the cost of digital advertising cross-platform and cross-format. CPM is calculated as CPM = (Ad campaign cost / Total ad impressions) * 1,000
Conversion rate (CVR)	Conversion rate or CVR is the rate of users who took a predefined action after having clicked on an ad (, the predefined action could have been defined as 'app-install', in which case, the CVR would be the percentage of users who installed an application after having clicked on it). CVR is calculated as CVR = (Number of users who took action / Number of clicks on an ad) * 100
CTV	A Connected TV, or CTV, is an umbrella term that refers to any TV set that is connected to the internet and allows the user to stream video content. A common example of a CTV device is a smart TV, but the term also encompasses any TV set that is indirectly connected to the internet, via set-top boxes, TV sticks, or gaming consoles. The rise of CTV has caused a massive shift in consumer trends, whereby consumers increasingly consume video programs on demand rather than according to a predefined schedule, as it is done with cable subscriptions. This has caused many consumers to cancel their cable subscriptions for the benefit of streaming services such as Netflix, Hulu, or Amazon Prime.
Contextual advertising	Contextual advertising's purpose is to place an advertisement in the right context, thereby increasing the chances that the ad will be displayed to the correct user or audience. An example of contextual advertising could be audiobook services being advertised on the website of an online bookstore. Contextual advertising is typically run from the DSP (demand-side platform), which, for example, could analyze the imagery and keywords of the displayed content, allowing it to serve an advertisement with a similar or complementary thematic. Contextual advertising has the same purpose as behavioral advertising, which is to improve the efficiency of ad targeting, only differing in the methodology to achieve this objective. The advantage of contextual advertising is that it does not rely on identifiers and cookies for ad targeting while remaining efficient in that mission. It is therefore well suited in an industry increasingly self-conscious of data privacy issues.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213
NON-IFRS MEASURES 213
AD-TECH GLOSSARY 214

Key figure	Definition
Creative	A creative is a digital ad that will be displayed to consumers on websites, apps, or any other digital platform. It is created by an ad designer, in accordance with publisher specifications and guidelines, for the purpose of communicating a marketing message to the publisher's audience. A creative may consist of multiple files in various formats, such as standard images, animations, videos, etc., for the purpose of capturing the consumer's attention and inducing the consumer to an action or a reaction.
Data Management	Data management helps marketing professionals identify, understand, and engage with high-value consumers in a more relevant and authentic way.
Demand Partner	A company that purchases the ad inventory (e.g. the demand-side platform, agencies, or advertisers).
Digital Advertising	The practice of using digital technologies to deliver advertisements to consumers is called digital advertising. It allows advertisers and marketers to reach specific target audiences efficiently and rapidly.
Digital Media	Digital media in the advertising industry typically refers to digital advertising assets, such as the ad or creative element. Digital media includes digital video, banner ads, search, social media promotion, mobile banners, mobile video, digital audio, and more. It can be created, viewed, distributed, modified, and preserved on digital devices.
Digital out-of-home (DOOH)	Digital out-of-home, or DOOH, is defined as an advertisement that is displayed in public spaces. As DOOH is displayed dynamically and digitally, it differs from classic out-of-home (OOH) advertisements such as posters.
DMP	A DMP, or a data management platform, is software that collects large amounts of ad-related data from multiple sources (amongst others, the ad server), to provide publishers and marketers with analytics. These data and analytics facilitate the segmentation of audiences into sub-groups that display similar consumer characteristics, traits, and preferences. This allows marketers to target their ads efficiently, while publishers can maximize the monetization of their ad space (inventory).
DSP	A DSP, or demand-side platform, is software that allows advertisers and agencies to bid on thousands of digital advertising spaces, in real-time and in an automated fashion. The DSP is a buy-side software and is an essential part of the advertisement technology (Ad-tech) ecosystem thanks to the rise of real-time buying (RTB) technology, which is the technology behind live auctions of ad inventory.

Media and Games Invest SE

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213
Non-IFRS Measures 213
Ad-tech Glossary 214

Key figure	Definition
First-Party Data	First-party data can be defined as primary data regarding a company's audience, which was collected by and is owned by the Company. In the context of advertising, first-party data is valuable data that is used for the purpose of displaying a certain advertisement to the correct consumer. The data can be collected from many sources, such as CRMs, cookies, subscription emails, feedback forms, etc. First-party data can be categorized as a direct source of data, by which the company directly gets audience data from its customers or users, as opposed to second- and third-party data, which use indirect ways of obtaining audience data. Second-party data is typically obtained through partnerships that benefit both partner companies, while third-party data is bought from specialized data providers.
IAB	The Interactive Advertising Bureau is an advertising business organization that develops industry standards, such as ad formats and app categories, in addition to conducting research.
Impression	The single appearance of an advertisement on a web page or a mobile app. Each time an ad loads onto a user's screen, the ad server counts that loading as one impression or view.
Insertion Order (IO)	The insertion order is an agreement between an advertiser and a publisher, and the last step of a so-called direct deal. Once the insertion order is signed, the publisher must display the advertiser's ads according to certain features and specifications laid out in the insertion order. These features are (but are not limited to), ad format, ad unit dimension, and placement, the number of impressions, starting and ending date of the agreement, etc.
Landing Page	The first page an end user sees after clicking on an ad.
Media Buying	Media buying is the process of purchasing advertising space. Today, media buying is typically completed digitally, which allows agencies or advertisers to make algorithmic purchases of advertising space in real-time using computers. This is the basis of programmatic advertising.
Mobile	In the marketing and advertising industry, "mobile" generally refers to the use of techniques and campaigns that specifically target audiences on their mobile devices. Mobile is often viewed as a market sector that allows for greater engagement and connections, forming a bridge connecting the consumer with the advertiser. In 2022, mobile represented roughly half of total media ad spend, worldwide.
Native Advertising / Native Ads	Native Advertising refers to the advertising technique which blurs the lines between organic content and paid content, creating a more pleasant experience for the targeted user. In other words, native ads blend in with the content displayed on the website or application, making it seem like part of the main content.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213
Non-IFRS Measures 213
Ad-tech Glossary 214

Key figure	Definition
Omnichannel	In the context of ad-tech, an omnichannel company is one that serves ads on all digital platforms; mobile, desktop, CTV and DOOH.
Optimization	In digital advertising, optimization refers to the process of changing the current inventory mix to improve a certain metric. Such metrics could be CTR, CPC, CPA, VfM, Page Load Speed, Conversion Rate (CRO), etc. The objective of the optimization is to increase a campaign's potential to meet its desired object
Programmatic Buying	Programmatic buying is the process of executing transparent media planning and buying using automation. In most cases, programmatic buying is fueled by the use of advanced audience data through digital platforms such as exchanges, trading desks, and demand-side platforms (DSPs), which helps create operational efficiency for both the buy and sell sides. Agencies use programmatic advertising on behalf of their advertiser clients to increase marketing efficiency, helping them get more out of media budgets. Content publishers will use programmatic advertising to get the maximum number of bids on their inventory, with the ultimate benefit of maximizing revenue on their ad inventory.
Publisher	A publisher is a company or person that owns a website, an application, or a game. Publishers represent the 'sell-side' in the advertisement as they own ad space and sell this inventory to the ultimate benefit of advertisers, or any company that wants to advertise.
Real-Time Bidding (RTB)	Auction of ad requests in real time, where buyers bid on available ad spaces and the highest-paying bidder wins the auction.
Rich Media	Rich media is a term for interactive ads that use HTML and JavaScript. It includes advanced features like video, audio, or other elements that encourage viewers to interact and engage with the content. Rich media ads offer an engaging way to increase the interaction of an audience with an ad.
SDK	A software development kit, or SDK, is a piece of code that permits third parties to embed their technologies and services in mobile applications. In the context of programmatic, SDK integrations allow app developers to connect their inventories with ad networks and ad exchanges around the world, in addition to giving developers better tools to manage and monetize their inventories. While APIs work as a one-to-one communication link between an ad platform and its specific ads, SDK offers a full package of tools. Apart from serving ads through the SDK, developers have access to advanced features such as analytics, customization options and remote configuration. Verve Group is working with all leading mediation and bidding platforms giving publishers various and flexible options. Thus, integration with Verve Hybid SDK allows publishers to access a whole range of global premium demand.

INTRODUCTION 3
BOARD OF DIRECTORS REPORT 21
CORPORATE GOVERNANCE REPORT 33
SUSTAINABILITY REPORT 64
FINANCIAL STATEMENTS 124
AUDITOR'S REPORT 207
DEFINITIONS 213
NON-IFRS MEASURES 213
AD-TECH GLOSSARY 214

Key figure	Definition
Second-Party Data	Second-party data is another company's first-party data that was sold without any middlemen. In the context of advertising, this is insightful data regarding the seller's audience, which can thus enhance the efficiency of ad targeting.
Served (Ad)	A served ad is an ad request that results in a positive response from the advertising platform (e.g. ad exchange or network), leading to the delivery of the ad.
Smart TV	A smart TV, sometimes referred to as a connected TV or hybrid TV, is a television set or set-top box with integrated internet connectivity and features that can receive video programs through an open IP method outside of the traditional cable QAM transport. Connected TV is an example of innovative technological convergence between computers, televisions, and set-top boxes. Well-known examples include Roku, Apple TV, Chromecast and Samsung SmartTV.
Supply Side Platform / Sell-side Platform (SSP)	A supply side platform, or SSP, is a technology platform with the single mission of enabling publishers to manage their ad impression inventory and to maximize revenue from digital media.
Third-Party Data	Third-party data is proprietary data collected and/or generated by data brokers who license this data to agencies, advertisers, or publishers. In the context of advertising, this is data regarding the seller's audience, which is useful to increase the efficiency of ad targeting.
User Acquisition	User acquisition means gaining new customers for a product or a service. For example, a user interacts with an ad, which leads to an action (conversion); signing up for a membership, downloading a game, or purchasing a product. User acquisition costs are an essential business metric for advertisers as they seek to minimize this cost while maximizing their return on investment (ROI).
Walled Gardens	Walled gardens refer to corporations that have control over their ecosystem, including applications, content, organic media, paid media and any gathered data. Examples of walled gardens include Google, Meta, Apple and Amazon.

The complete list with all definitions can be found on our website:
https://www.mgi-se.com/glossary/

Media and Games Invest SE

INTRODUCTION 3

BOARD OF DIRECTORS REPORT 21

CORPORATE GOVERNANCE REPORT 33

SUSTAINABILITY REPORT 64

FINANCIAL STATEMENTS 124

AUDITOR'S REPORT 207

DEFINITIONS 213

Contact

MGI – Media and Games Invest SE
Stureplan 6
11435, Stockholm, Sweden
info@mgi-se.com
Registration No. SE 517100-0143

Sören Barz
Head of IR
Soeren.barz@mgi-se.com

Esther Hilsen
Head of ESG
Esther.Hilsen@mgi-se.com

Visit our website: https://www.mgi-se.com/


Media and Games
Invest SE
Let's make media better
Better for
Better for
Better for
Better for
Monetization
Managers
Better for
Better for
Better for
CTV
Publishers
Better for
Better for
Better for
User
Acquisition
Managers
MacBook Pro