

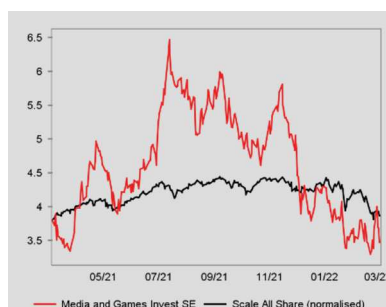
<b>Buy</b> <b>EUR 9.20</b>	<b>Value Indicators:</b> EUR DCF: 9.20	<b>Warburg ESG Risk Score: 2.0</b> ESG Score (MSCI based): 3.0 Balance Sheet Score: 2.0 Market Liquidity Score: 1.0	<b>Description:</b> MGI is engaged in the gaming as well as media and advertising market
	<b>Market Snapshot:</b> EUR m Market cap: 519.4 No. of shares (m): 149.7 EV: 689.4 Freefloat MC: 375.5 Ø Trad. Vol. (30d): 682.51 th	<b>Shareholders:</b> Freefloat: 72.3 % Bodhivas (Remco Western.): 27.7 % Oaktree Capital Management: 9.1 % Henderson Global Investors: 5.5 %	<b>Key Figures (WRe):</b> 2022e Beta: 1.1 Price / Book: 1.6 x Equity Ratio: 36 % Net Fin. Debt / EBITDA: 2.0 x Net Debt / EBITDA: 2.0 x
Price: EUR 3.47 Upside: 165.1 %			

## Another year of double-digit organic growth ahead

Media and Games Invest's full-year results and guidance confirmed our positive view of the company:

- Full-year 2021 revenues of EUR 252.2m and adj. EBITDA of EUR 71.1m were both around 3% above our estimates. The company thereby reached the high end of the EUR 232-254m sales guidance range and even beat the top end of its EUR 65-70m adj. EBITDA range by EUR 1.1m. For the full year, revenues thus grew 38% and even in Q4 2021, growth was an impressive 36%. Due to the transforming acquisitions of Kingsisle and Smaato, reported group revenues grew by as much as 80% in the full year.
- Management is guiding for sales of EUR 290-310m in 2022 and adj. EBITDA of EUR 80-90m. With the discontinuation of the low-margin influencer business (single-digit EBITDA margin), which contributed around EUR 20m to sales in 2021, the anticipated top-line growth is basically fully organic (the impact of the first-time consolidation of smaato for another eight months is around EUR 22m). Thus, the guidance implies 15% to 23% organic sales growth.
- M&A remains an integral part of the growth story and management is now, for the first time, also evaluating the acquisition of mobile gaming companies in addition to ad-tech (and PC games). For targets with higher growth potential, management is prepared to accept somewhat higher multiples than in the past. That said, management's ceiling of 10 times EV/EBITDA is still not aggressive. With year-end gross cash of EUR 180m, there is ample firepower. Considering the recent share-price weakness, we expect management to be wary of a capital increase. Furthermore, the strong cash position implies that acquisitions will also be significantly accretive to EPS.
- The combination of strong organic growth in the media segment (+67%) and synergetic acquisitions have effectively transformed the company from a predominately gaming-driven enterprise (in 2020: 54% gaming) into an ad software-driven business (in 2021 ca 70% of sales were related to ad software). As these revenues are mostly mobile-related, MGI is not a loser of the post-COVID re-opening of economies and the likely increase in consumer mobility. In a peer group comparison, the company should thus primarily be compared with ad-tech companies or, even better, combined ad-tech and gaming peers like Iron Source or App Lovin. As these names trade on twice MGI's EV/EBITDA multiple we consider this comparison a good market-based validation of the strong DCF-based upside which we see for the company. We confirm our Buy rating and EUR 9.2 price target.

Changes in Estimates:	2022e (old)	+ / -	2023e (old)	+ / -	Comment on Changes:
FY End: 31.12. in EUR m					<ul style="list-style-type: none"> <li>We slightly reduce our sales estimates, as our estimates for the discontinued influencer business were a touch too low.</li> <li>We cut our adj. EBITDA estimates due to higher growth expenses. At the same time, earnings quality is set to improve, as management envisages lower one-time expenses (restructuring, integration of acquisitions and other M&amp;A-related costs). We stick to our 2023 estimates.</li> <li>We assume somewhat higher interest expenses.</li> </ul>
Sales	310.0	-1.6 %	350.0	0.0 %	
EBITDA adj.	96.0	-8.3 %	114.0	0.0 %	
EBIT	58.0	-6.9 %	76.0	0.0 %	
EPS	0.21	-23.8 %	0.31	-9.7 %	

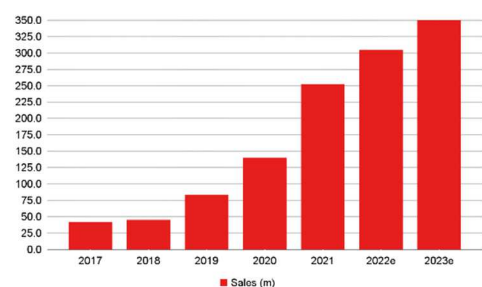


Rel. Performance vs Scale All	
1 month:	5.4 %
6 months:	-25.7 %
Year to date:	-8.9 %
Trailing 12 months:	-6.4 %

Company events:	
29.04.22	FY 2021
31.05.22	Q1
29.07.22	AGM

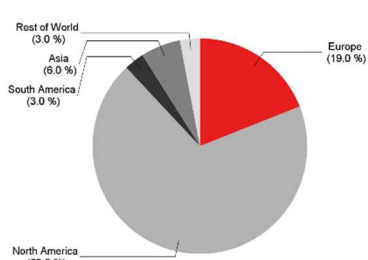
FY End: 31.12. in EUR m	CAGR (21-23e)	2017	2018	2019	2020	2021	2022e	2023e
Sales	17.8 %	42.1	45.3	83.9	140.2	252.2	305.0	350.0
Change Sales yoy		8.0 %	7.6 %	85.2 %	67.1 %	79.8 %	21.0 %	14.8 %
EBITDA adj.		10.5	13.4	18.1	29.1	71.1	88.0	114.0
Margin	7.5 %	25.0 %	29.5 %	21.6 %	20.8 %	28.2 %	28.9 %	32.6 %
EBITDA		7.0	11.1	15.5	26.5	65.0	84.0	110.0
EBIT adj.	30.2 %	-3.4	2.6	10.5	17.5	54.8	71.0	93.0
Margin		-8.0 %	5.7 %	12.5 %	12.5 %	21.7 %	23.3 %	26.6 %
Net income	61.4 %	-5.0	1.5	-0.3	3.1	16.1	24.3	41.9
EPS	59.5 %	n.a.	n.a.	-0.01	0.03	0.11	0.16	0.28
EPS adj.	39.6 %	n.a.	n.a.	0.07	0.09	0.20	0.27	0.39
DPS	-	n.a.	n.a.	0.00	0.00	0.00	0.00	0.00
Dividend Yield		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
FCFPS		n.a.	n.a.	0.06	0.09	0.27	0.51	0.31
FCF / Market cap		n.a.	n.a.	5.4 %	7.0 %	5.9 %	14.6 %	9.0 %
EV / Sales		n.a.	n.a.	1.4 x	1.5 x	3.4 x	2.3 x	1.8 x
EV / EBITDA		n.a.	n.a.	7.8 x	7.9 x	13.1 x	8.2 x	5.8 x
EV / EBIT		n.a.	n.a.	24.1 x	18.9 x	23.1 x	12.8 x	8.4 x
P / E		n.a.	n.a.	n.a.	43.7 x	41.7 x	21.7 x	12.4 x
P / E adj.		n.a.	n.a.	16.6 x	14.6 x	22.9 x	12.9 x	8.9 x
FCF Potential Yield		n.a.	n.a.	11.7 %	10.2 %	7.3 %	10.7 %	14.9 %
Net Debt		26.1	38.1	46.1	79.8	198.6	165.0	118.4
ROCE (NOPAT)		n.a.	6.8 %	n.a.	3.3 %	10.4 %	8.6 %	12.3 %
Guidance:		FY 2022: EUR 290m-310m sales, EUR 80m-90m adj. EBITDA						

## Sales development in EUR m



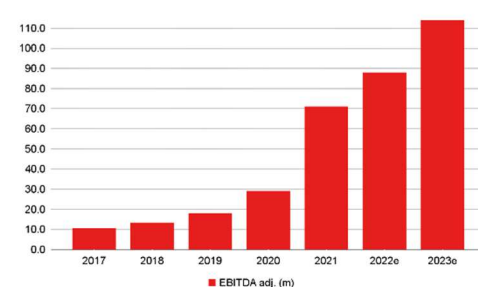
Source: Warburg Research

## Revenues by regions Q4 2021; in %



Source: Warburg Research

## Adj. EBITDA development in EUR m



Source: Warburg Research

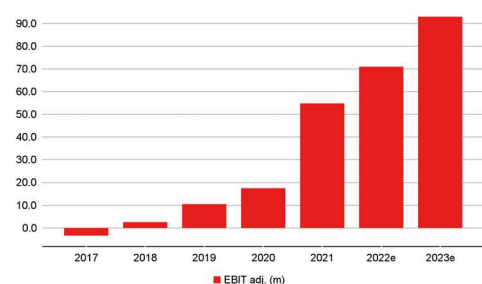
## Company Background

- Media and Games Invest plc (MGI) is a corporation with a specific focus on gaming (especially via in-games purchases in MMOGs) and media advertising (agency business and programmatic ad-tech solutions)
- MGI's historic nucleolus is gamigo, a games publisher with more than 10 well-established MMOGs and 5k+ casual games. MGI holds 99.9% of gamigo (fully consolidated)
- With a string acquisitions of gaming companies Media and Games built critical mass in the gaming segment (since 2012 more than 25 acquisitions, most recent major acquisition KingsIsle).
- The company focuses on established games to avoid the substantial risk in the development of games
- The media segment covers the whole value chain: Publisher, Supply Side Platform, Data and Demand Side Platform. The vast majority of sales is generated either as platform fees or platform revenue share (i.e. SaaS)

## Competitive Quality

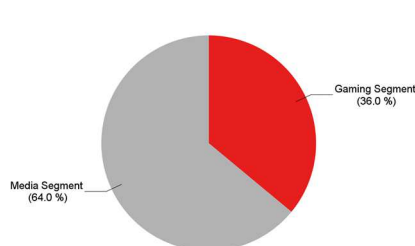
- MGI's has a broad games portfolio with a focus on multiplayer games. The majority of revenues are generated with users who have been playing the game for more than five years.
- MGI is acting as a successful consolidator in the gaming and media market and has an excellent track record of more than 25 transactions in the last couple of years.
- Cost savings due to shared infrastructure or switch to MGI's attractive terms for cloud and other IT services.
- Significantly higher efficiency achieved by combining in-house media with core gaming offering ; up to 50% cost saving for user acquisition, use of first party data increase ROI of user acquisition
- In Media: transparency in sourcing, pricing and operations, contrary to "walled gardens" (of google etc.), Platform where companies can identify audience segments, targeting, and ad campaigns.

## adj. EBIT development in EUR m



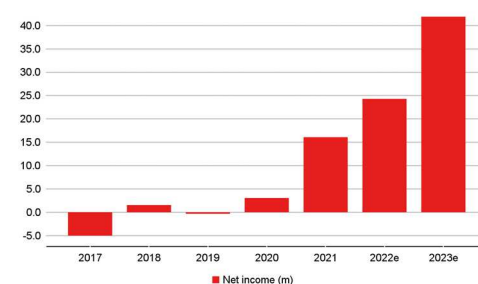
Source: Warburg Research

## Sales by segments 2021; in %



Source: Warburg Research

## Net income development in EUR m



Source: Warburg Research

## DCF model

Figures in EUR m	Detailed forecast period			Transitional period										Term. Value
	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	
Sales	305.0	350.0	390.0	436.8	489.2	538.1	575.8	604.6	634.8	666.6	686.6	707.2	721.3	
Sales change	21.0 %	14.8 %	11.4 %	12.0 %	12.0 %	10.0 %	7.0 %	5.0 %	5.0 %	5.0 %	3.0 %	3.0 %	2.0 %	2.0 %
EBIT	54.0	76.0	88.0	78.6	88.1	96.9	103.6	114.9	127.0	133.3	137.3	141.4	144.3	
EBIT-margin	17.7 %	21.7 %	22.6 %	18.0 %	18.0 %	18.0 %	18.0 %	19.0 %	20.0 %	20.0 %	20.0 %	20.0 %	20.0 %	
Tax rate (EBT)	20.0 %	20.0 %	20.0 %	20.0 %	20.0 %	20.0 %	20.0 %	22.0 %	25.0 %	27.0 %	28.0 %	28.0 %	28.0 %	
NOPAT	43.2	60.8	70.4	62.9	70.4	77.5	82.9	89.6	95.2	97.3	98.9	101.8	103.9	
Depreciation	30.0	34.0	34.0	52.4	58.7	64.6	63.3	66.5	63.5	66.7	68.7	70.7	72.1	
in % of Sales	9.8 %	9.7 %	8.7 %	12.0 %	12.0 %	12.0 %	11.0 %	11.0 %	10.0 %	10.0 %	10.0 %	10.0 %	10.0 %	
Changes in provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Change in Liquidity from														
- Working Capital	-47.8	-0.7	-0.6	9.8	5.4	3.7	0.9	0.7	0.8	0.8	0.5	0.5	0.4	
- Capex	27.0	30.5	30.5	52.4	53.8	53.8	51.8	48.4	50.8	53.3	54.9	56.6	57.7	
Capex in % of Sales	8.9 %	8.7 %	7.8 %	12.0 %	11.0 %	10.0 %	9.0 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	
- Other	211.3	60.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Free Cash Flow (WACC Model)	-117.3	4.7	74.5	53.1	69.9	84.6	93.5	107.0	107.2	109.9	112.1	115.5	117.9	120
PV of FCF	-113.3	4.2	63.0	42.0	51.7	58.5	60.5	64.8	60.7	58.2	55.6	53.5	51.2	1,065
share of PVs		-2.92 %						35.34 %						67.58 %

## Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	24.50 %	Financial Strength	1.20
Cost of debt (after tax)	4.9 %	Liquidity (share)	1.00
Market return	7.00 %	Cyclicality	1.10
Risk free rate	1.50 %	Transparency	1.20
		Others	1.00
<b>WACC</b>	<b>6.90 %</b>	<b>Beta</b>	<b>1.10</b>

## Valuation (m)

Present values 2034e	511		
Terminal Value	1,065		
Financial liabilities	379		
Pension liabilities	0		
Hybrid capital	0		
Minority interest	0		
Market val. of investments	0		
Liquidity	180	No. of shares (m)	149.7
<b>Equity Value</b>	<b>1,377</b>	<b>Value per share (EUR)</b>	<b>9.20</b>

## Sensitivity Value per Share (EUR)

Beta	WACC	Terminal Growth							Beta	WACC	Delta EBIT-margin						
		1.25 %	1.50 %	1.75 %	2.00 %	2.25 %	2.50 %	2.75 %			-1.5 pp	-1.0 pp	-0.5 pp	+0.0 pp	+0.5 pp	+1.0 pp	+1.5 pp
1.34	7.9 %	6.48	6.66	6.86	7.07	7.30	7.56	7.83	1.34	7.9 %	6.40	6.62	6.84	7.07	7.29	7.52	7.74
1.22	7.4 %	7.29	7.52	7.76	8.03	8.33	8.65	9.02	1.22	7.4 %	7.30	7.54	7.79	8.03	8.28	8.52	8.77
1.16	7.2 %	7.75	8.01	8.28	8.59	8.92	9.29	9.71	1.16	7.2 %	7.81	8.07	8.33	8.59	8.85	9.10	9.36
1.10	6.9 %	8.26	8.54	8.85	9.20	9.58	10.01	10.48	1.10	6.9 %	8.39	8.66	8.93	9.20	9.47	9.74	10.01
1.04	6.7 %	8.81	9.13	9.48	9.88	10.32	10.81	11.36	1.04	6.7 %	9.02	9.30	9.59	9.88	10.16	10.45	10.74
0.98	6.4 %	9.41	9.78	10.18	10.63	11.14	11.71	12.36	0.98	6.4 %	9.72	10.03	10.33	10.63	10.94	11.24	11.54
0.86	5.9 %	10.82	11.30	11.83	12.44	13.13	13.92	14.83	0.86	5.9 %	11.41	11.75	12.10	12.44	12.78	13.13	13.47

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

Valuation	2017	2018	2019	2020	2021	2022e	2023e
Price / Book	n.a.	n.a.	0.8 x	0.7 x	2.1 x	1.6 x	1.4 x
Book value per share ex intangibles	n.a.	n.a.	-1.93	-0.82	-1.99	-1.80	-1.48
EV / Sales	n.a.	n.a.	1.4 x	1.5 x	3.4 x	2.3 x	1.8 x
EV / EBITDA	n.a.	n.a.	7.8 x	7.9 x	13.1 x	8.2 x	5.8 x
EV / EBIT	n.a.	n.a.	24.1 x	18.9 x	23.1 x	12.8 x	8.4 x
EV / EBIT adj.*	n.a.	n.a.	11.5 x	11.9 x	15.5 x	9.7 x	6.9 x
P / FCF	n.a.	n.a.	18.7 x	14.4 x	16.8 x	6.9 x	11.1 x
P / E	n.a.	n.a.	n.a.	43.7 x	41.7 x	21.7 x	12.4 x
P / E adj.*	n.a.	n.a.	16.6 x	14.6 x	22.9 x	12.9 x	8.9 x
Dividend Yield	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
FCF Potential Yield (on market EV)	n.a.	n.a.	11.7 %	10.2 %	7.3 %	10.7 %	14.9 %

\*Adjustments made for: -

## Consolidated profit & loss

In EUR m	2017	2018	2019	2020	2021	2022e	2023e
<b>Sales</b>	<b>42.1</b>	<b>45.3</b>	<b>83.9</b>	<b>140.2</b>	<b>252.2</b>	<b>305.0</b>	<b>350.0</b>
Change Sales yoy	8.0 %	7.6 %	85.2 %	67.1 %	79.8 %	21.0 %	14.8 %
Increase / decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Own work capitalised	3.6	4.2	10.2	16.0	22.9	23.0	25.0
<b>Total Sales</b>	<b>45.7</b>	<b>49.5</b>	<b>94.1</b>	<b>156.2</b>	<b>275.0</b>	<b>328.0</b>	<b>375.0</b>
Material expenses	16.2	17.6	45.8	77.6	138.0	153.0	169.0
<b>Gross profit</b>	<b>29.4</b>	<b>31.8</b>	<b>48.3</b>	<b>78.6</b>	<b>137.0</b>	<b>175.0</b>	<b>206.0</b>
<i>Gross profit margin</i>	<i>70.0 %</i>	<i>70.3 %</i>	<i>57.5 %</i>	<i>56.1 %</i>	<i>54.3 %</i>	<i>57.4 %</i>	<i>58.9 %</i>
Personnel expenses	13.9	14.7	27.4	39.6	56.0	65.0	70.0
Other operating income	2.4	6.7	4.6	6.3	8.6	3.0	4.0
Other operating expenses	10.9	12.7	10.0	18.7	24.7	29.0	30.0
<b>EBITDA adj.</b>	<b>10.5</b>	<b>13.4</b>	<b>18.1</b>	<b>29.1</b>	<b>71.1</b>	<b>88.0</b>	<b>114.0</b>
Margin	25.0 %	29.5 %	21.6 %	20.8 %	28.2 %	28.9 %	32.6 %
<b>EBITDA</b>	<b>7.0</b>	<b>11.1</b>	<b>15.5</b>	<b>26.5</b>	<b>65.0</b>	<b>84.0</b>	<b>110.0</b>
<i>Margin</i>	<i>16.7 %</i>	<i>24.4 %</i>	<i>18.5 %</i>	<i>18.9 %</i>	<i>25.8 %</i>	<i>27.5 %</i>	<i>31.4 %</i>
Depreciation of fixed assets	0.7	1.5	2.8	3.0	3.0	3.0	3.0
<b>EBITA</b>	<b>6.3</b>	<b>9.6</b>	<b>12.7</b>	<b>23.5</b>	<b>62.0</b>	<b>81.0</b>	<b>107.0</b>
Amortisation of intangible assets	9.7	7.0	7.7	12.5	25.2	27.0	31.0
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBIT</b>	<b>-3.4</b>	<b>2.6</b>	<b>5.0</b>	<b>11.0</b>	<b>36.8</b>	<b>54.0</b>	<b>76.0</b>
<i>Margin</i>	<i>-8.0 %</i>	<i>5.7 %</i>	<i>6.0 %</i>	<i>7.9 %</i>	<i>14.6 %</i>	<i>17.7 %</i>	<i>21.7 %</i>
<b>EBIT adj.</b>	<b>-3.4</b>	<b>2.6</b>	<b>10.5</b>	<b>17.5</b>	<b>54.8</b>	<b>71.0</b>	<b>93.0</b>
Interest income	0.0	0.0	0.1	0.4	0.9	0.0	0.0
Interest expenses	2.4	2.1	5.8	7.5	22.8	23.0	23.0
Other financial income (loss)	0.1	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBT</b>	<b>-5.7</b>	<b>0.5</b>	<b>-0.8</b>	<b>3.9</b>	<b>14.9</b>	<b>31.0</b>	<b>53.0</b>
<i>Margin</i>	<i>-13.5 %</i>	<i>1.1 %</i>	<i>-0.9 %</i>	<i>2.8 %</i>	<i>5.9 %</i>	<i>10.2 %</i>	<i>15.1 %</i>
Total taxes	-0.7	-1.1	-2.0	1.2	-1.2	6.2	10.6
<b>Net income from continuing operations</b>	<b>-5.0</b>	<b>1.6</b>	<b>1.3</b>	<b>2.7</b>	<b>16.1</b>	<b>24.8</b>	<b>42.4</b>
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net income before minorities</b>	<b>-5.0</b>	<b>1.6</b>	<b>1.3</b>	<b>2.7</b>	<b>16.1</b>	<b>24.8</b>	<b>42.4</b>
Minority interest	0.0	0.1	1.6	-0.4	0.0	0.5	0.5
<b>Net income</b>	<b>-5.0</b>	<b>1.5</b>	<b>-0.3</b>	<b>3.1</b>	<b>16.1</b>	<b>24.3</b>	<b>41.9</b>
<i>Margin</i>	<i>-11.9 %</i>	<i>3.4 %</i>	<i>-0.4 %</i>	<i>2.2 %</i>	<i>6.4 %</i>	<i>8.0 %</i>	<i>12.0 %</i>
Number of shares, average	n.a.	n.a.	64.1	98.5	142.5	149.7	149.7
<b>EPS</b>	<b>n.a.</b>	<b>n.a.</b>	<b>-0.01</b>	<b>0.03</b>	<b>0.11</b>	<b>0.16</b>	<b>0.28</b>
EPS adj.	n.a.	n.a.	0.07	0.09	0.20	0.27	0.39

\*Adjustments made for:

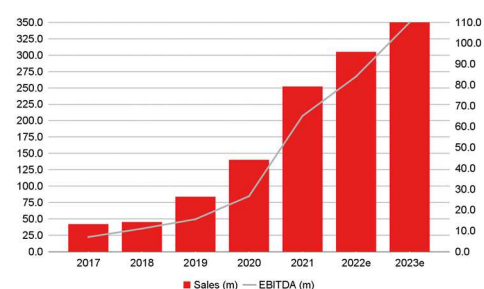
**Guidance: FY 2022: EUR 290m-310m sales, EUR 80m-90m adj. EBITDA**

## Financial Ratios

	2017	2018	2019	2020	2021	2022e	2023e
Total Operating Costs / Sales	91.8 %	84.8 %	93.6 %	92.5 %	83.3 %	80.0 %	75.7 %
Operating Leverage	-8.4 x	n.a.	1.1 x	1.8 x	2.9 x	2.2 x	2.8 x
EBITDA / Interest expenses	3.0 x	5.2 x	2.7 x	3.5 x	2.8 x	3.7 x	4.8 x
Tax rate (EBT)	11.9 %	-229.8 %	265.4 %	30.6 %	-7.8 %	20.0 %	20.0 %
Dividend Payout Ratio	n.a.	n.a.	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %

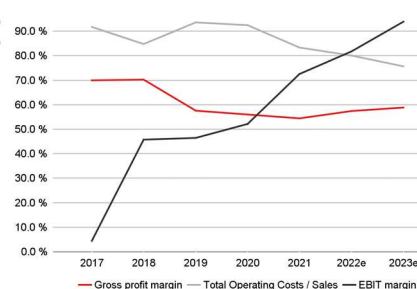
### Sales, EBITDA

in EUR m

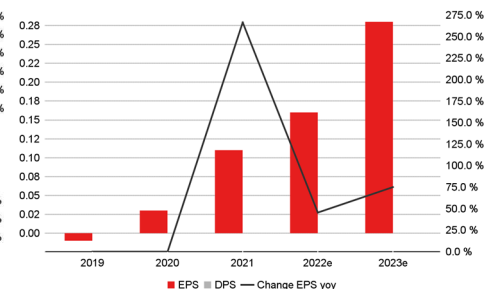


### Operating Performance

in %



### Performance per Share



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

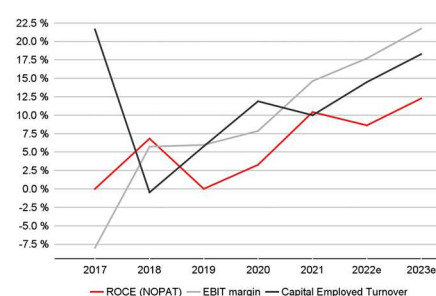
## Consolidated balance sheet

In EUR m	2017	2018	2019	2020	2021	2022e	2023e
<b>Assets</b>							
Goodwill and other intangible assets	47.5	204.1	233.2	272.8	605.7	601.7	596.7
thereof other intangible assets	16.7	66.7	73.7	85.4	149.4	145.4	140.4
thereof Goodwill	28.9	133.8	147.3	164.0	412.0	412.0	412.0
Property, plant and equipment	1.7	4.2	3.5	1.7	4.7	5.7	7.2
Financial assets	0.0	11.7	19.9	18.9	40.1	40.1	40.1
Other long-term assets	0.4	0.0	0.0	0.0	0.0	0.0	0.0
<b>Fixed assets</b>	<b>49.5</b>	<b>220.0</b>	<b>256.6</b>	<b>293.5</b>	<b>650.5</b>	<b>647.5</b>	<b>644.0</b>
Inventories	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable	4.9	11.8	17.0	37.0	97.5	62.7	71.9
Liquid assets	1.0	4.4	33.0	46.3	180.2	213.8	260.4
Other short-term assets	11.4	0.0	5.8	9.1	5.9	5.9	5.9
<b>Current assets</b>	<b>17.3</b>	<b>16.3</b>	<b>55.9</b>	<b>92.4</b>	<b>283.6</b>	<b>282.4</b>	<b>338.2</b>
<b>Total Assets</b>	<b>66.8</b>	<b>236.3</b>	<b>312.4</b>	<b>385.8</b>	<b>934.1</b>	<b>929.9</b>	<b>982.2</b>
<b>Liabilities and shareholders' equity</b>							
Subscribed capital	2.3	59.9	98.1	117.1	149.7	149.7	149.7
Capital reserve	48.2	4.3	0.0	57.3	137.7	137.7	137.7
Retained earnings	-23.6	2.9	0.0	5.6	21.7	46.0	87.9
Other equity components	0.0	0.1	0.0	-3.2	-1.6	-1.2	-0.7
Shareholders' equity	26.8	67.2	98.1	176.8	307.4	332.1	374.5
Minority interest	-0.1	91.3	70.5	0.1	0.1	0.1	0.1
<b>Total equity</b>	<b>26.7</b>	<b>158.5</b>	<b>168.6</b>	<b>176.8</b>	<b>307.5</b>	<b>332.2</b>	<b>374.6</b>
Provisions	3.0	6.7	12.6	17.3	54.0	54.0	54.0
thereof provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial liabilities (total)	27.1	42.6	79.1	126.0	378.7	378.7	378.7
Short-term financial liabilities	7.0	3.6	6.7	6.1	32.0	32.0	32.0
Accounts payable	7.2	9.2	20.3	30.0	53.8	66.8	76.7
Other liabilities	2.7	19.3	31.9	35.7	140.1	98.1	98.1
<b>Liabilities</b>	<b>40.1</b>	<b>77.8</b>	<b>143.8</b>	<b>209.0</b>	<b>626.6</b>	<b>597.7</b>	<b>607.6</b>
<b>Total liabilities and shareholders' equity</b>	<b>66.8</b>	<b>236.3</b>	<b>312.4</b>	<b>385.8</b>	<b>934.1</b>	<b>929.9</b>	<b>982.2</b>

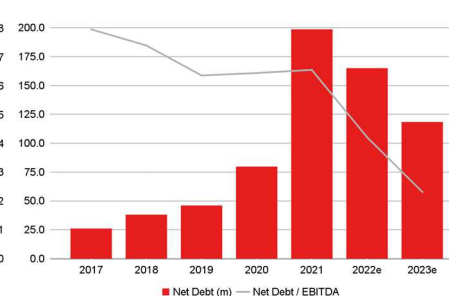
## Financial Ratios

	2017	2018	2019	2020	2021	2022e	2023e
<b>Efficiency of Capital Employment</b>							
Operating Assets Turnover	-65.8 x	6.6 x	285.4 x	16.1 x	5.2 x	192.9 x	147.0 x
Capital Employed Turnover	0.8 x	0.2 x	0.4 x	0.5 x	0.5 x	0.6 x	0.7 x
ROA	-10.1 %	0.7 %	-0.1 %	1.0 %	2.5 %	3.8 %	6.5 %
<b>Return on Capital</b>							
ROCE (NOPAT)	n.a.	6.8 %	n.a.	3.3 %	10.4 %	8.6 %	12.3 %
ROE	-17.0 %	3.3 %	-0.4 %	2.2 %	6.6 %	7.6 %	11.9 %
Adj. ROE	-17.0 %	3.3 %	5.3 %	6.4 %	11.6 %	12.5 %	16.3 %
<b>Balance sheet quality</b>							
Net Debt	26.1	38.1	46.1	79.8	198.6	165.0	118.4
Net Financial Debt	26.1	38.1	46.1	79.8	198.6	165.0	118.4
Net Gearing	97.6 %	24.0 %	27.3 %	45.1 %	64.6 %	49.7 %	31.6 %
Net Fin. Debt / EBITDA	370.8 %	345.0 %	296.4 %	300.4 %	305.3 %	196.4 %	107.6 %
Book Value / Share	n.a.	n.a.	1.4	1.5	2.1	2.2	2.5
Book value per share ex intangibles	n.a.	n.a.	-1.9	-0.8	-2.0	-1.8	-1.5

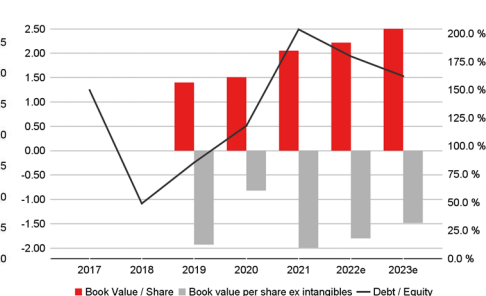
### ROCE Development



### Net debt in EUR m



### Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

## Consolidated cash flow statement

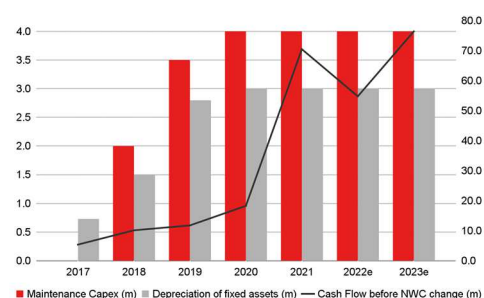
In EUR m	2017	2018	2019	2020	2021	2022e	2023e
Net income	-5.0	1.6	1.3	2.7	16.1	24.8	42.4
Depreciation of fixed assets	0.7	1.5	2.8	3.0	3.0	3.0	3.0
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	9.7	7.0	7.7	12.5	25.2	27.0	31.0
Increase/decrease in long-term provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other non-cash income and expenses	0.0	0.0	0.0	0.0	26.2	0.0	0.0
<b>Cash Flow before NWC change</b>	<b>5.4</b>	<b>10.1</b>	<b>11.8</b>	<b>18.2</b>	<b>70.5</b>	<b>54.8</b>	<b>76.4</b>
Increase / decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase / decrease in accounts receivable	0.0	0.0	-7.0	-2.8	-60.5	34.8	-9.2
Increase / decrease in accounts payable	0.0	0.0	12.2	9.8	23.7	13.0	9.9
Increase / decrease in other working capital positions	0.0	0.0	0.0	0.0	31.1	0.0	0.0
Increase / decrease in working capital (total)	0.0	0.0	5.2	7.0	-5.7	47.8	0.7
<b>Net cash provided by operating activities [1]</b>	<b>5.4</b>	<b>10.1</b>	<b>17.0</b>	<b>25.2</b>	<b>64.8</b>	<b>102.6</b>	<b>77.1</b>
Investments in intangible assets	0.0	0.0	-11.0	-15.0	-20.0	-23.0	-26.0
Investments in property, plant and equipment	0.0	-9.0	-2.0	-1.2	-6.0	-4.0	-4.5
Payments for acquisitions	0.0	0.0	0.0	-21.5	-269.6	-42.0	0.0
Financial investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net cash provided by investing activities [2]</b>	<b>0.0</b>	<b>-9.0</b>	<b>-13.0</b>	<b>-37.7</b>	<b>-295.6</b>	<b>-69.0</b>	<b>-30.5</b>
Change in financial liabilities	0.0	0.0	16.4	-2.7	245.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	0.0	9.0	28.5	113.2	0.0	0.0
Other	0.0	0.0	0.0	0.0	6.0	0.0	0.0
<b>Net cash provided by financing activities [3]</b>	<b>0.0</b>	<b>0.0</b>	<b>25.4</b>	<b>25.8</b>	<b>364.2</b>	<b>0.0</b>	<b>0.0</b>
<b>Change in liquid funds [1]+[2]+[3]</b>	<b>5.4</b>	<b>1.1</b>	<b>29.4</b>	<b>13.3</b>	<b>133.4</b>	<b>33.6</b>	<b>46.6</b>
Effects of exchange-rate changes on cash	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cash and cash equivalent at end of period	8.2	2.1	33.8	46.3	179.7	213.8	260.4

## Financial Ratios

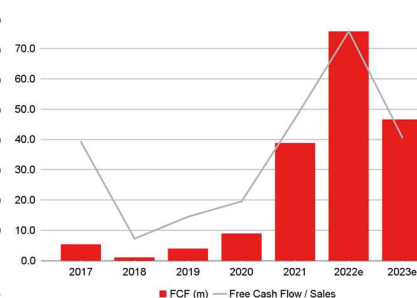
	2017	2018	2019	2020	2021	2022e	2023e
<b>Cash Flow</b>							
FCF	5.4	1.1	4.0	9.0	38.8	75.6	46.6
Free Cash Flow / Sales	12.8 %	2.4 %	4.8 %	6.4 %	15.4 %	24.8 %	13.3 %
Free Cash Flow Potential	n.a.	10.2	14.1	21.4	62.2	73.8	95.4
Free Cash Flow / Net Profit	-108.1 %	69.8 %	-1237.5 %	293.5 %	241.3 %	311.3 %	111.2 %
Interest Received / Avg. Cash	0.1 %	0.5 %	0.4 %	0.9 %	0.8 %	0.0 %	0.0 %
Interest Paid / Avg. Debt	8.7 %	6.1 %	9.6 %	7.3 %	9.0 %	6.1 %	6.1 %
<b>Management of Funds</b>							
Investment ratio	0.0 %	19.9 %	15.5 %	11.6 %	10.3 %	8.9 %	8.7 %
Maint. Capex / Sales	n.a.	4.4 %	4.2 %	2.9 %	1.6 %	1.3 %	1.1 %
Capex / Dep	0.0 %	106.3 %	123.3 %	104.5 %	92.2 %	90.0 %	89.7 %
Avg. Working Capital / Sales	-5.0 %	0.3 %	-0.3 %	1.3 %	10.1 %	6.5 %	-1.3 %
Trade Debtors / Trade Creditors	67.7 %	128.8 %	84.1 %	123.2 %	181.4 %	93.9 %	93.7 %
Inventory Turnover	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Receivables collection period (days)	42	95	74	96	141	75	75
Payables payment period (days)	162	190	162	141	142	159	166
Cash conversion cycle (Days)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

### CAPEX and Cash Flow

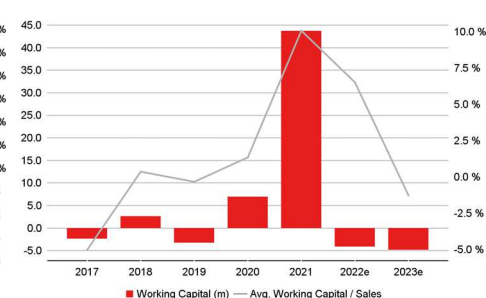
in EUR m



### Free Cash Flow Generation



### Working Capital



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

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Company	Disclosure	Link to the historical price targets and rating changes (last 12 months)
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-B-	<b>Buy:</b>	The price of the analysed financial instrument is expected to rise over the next 12 months.
-H-	<b>Hold:</b>	The price of the analysed financial instrument is expected to remain mostly flat over the next 12 months.
-S-	<b>Sell:</b>	The price of the analysed financial instrument is expected to fall over the next 12 months.
“-“	<b>Rating suspended:</b>	The available information currently does not permit an evaluation of the company.

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Rating	Number of stocks	% of Universe
Buy	165	78
Hold	40	19
Sell	4	2
Rating suspended	3	1
<b>Total</b>	<b>212</b>	<b>100</b>

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

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

Rating	Number of stocks	% of Universe
Buy	52	88
Hold	4	7
Sell	1	2
Rating suspended	2	3
<b>Total</b>	<b>59</b>	<b>100</b>

## PRICE AND RATING HISTORY MEDIA AND GAMES INVEST SE AS OF 04.03.2022



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

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