

Buy EUR 4.00 (EUR 9.55) Price EUR 2.29 Upside 74.7 %	Value Indicators: EUR DCF: 4.00	Warburg ESG Risk Score: 2.0 ESG Score (MSCI based): 3.0 Balance Sheet Score: 2.0 Market Liquidity Score: 1.0	Description: MGI is an advertising software platform with strong first-party games content.
	Market Snapshot: EUR m Market cap: 364.5 No. of shares (m): 159.2 EV: 658.9 Freefloat MC: 269.7 Ø Trad. Vol. (30d): 297.64 th	Shareholders: Freefloat 74.00 % Bodhivas (Remco Western.) 26.00 % Oaktree Capital Management 13.00 % Henderson Global Investors 4.00 %	Key Figures (WRe): 2022e Beta: 1.3 Price / Book: 1.0 x Equity Ratio: 35 % Net Fin. Debt / EBITDA: 3.6 x Net Debt / EBITDA: 3.6 x

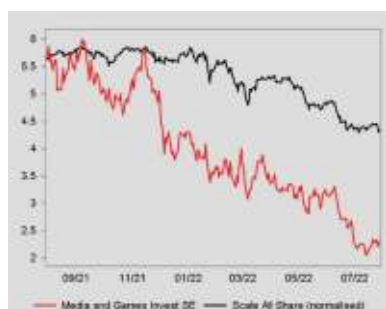
Model Update: Estimates revised to reflect economic headwinds

Expected Figures Q2/2022:							Comment on Figures:	
in EUR m	Q2/22e	Q2/21	yoy	6M/22e	6M/21	yoy		
Sales	72	57	26%	138	109	26%	■ We are expecting the Q2 figures to show a slowdown in organic growth from the 18% of Q1. That said, the stronger USD should prove supportive for MGI and we are thus expecting a positive currency effect of around 5pp. Thus, we expect the rate of sales growth to remain largely unchanged at 26% in Q2 (Q1: 27%).	
EBITDA margin	18	15	24%	35	27	31%	■ On the back of a decent sales performance, we are looking for broadly stable margins despite potential cuts in publisher CPMs.	
EBITDA adjusted margin	25%	25%		25%	24%			
EBITDA adjusted margin	19	15	24%	37	29	28%		
EBITDA adjusted margin	26%	27%		27%	26%			

■ In light of the deteriorating outlook for advertising spending, we have reviewed our estimates and are now expecting FY sales and earnings to come in at the lower end of the guidance range for 2022. Likewise, our sales estimates for 2023 and 2024 are lowered by 11% and 6% respectively. Despite the cut, we still expect MGI to grow even in a difficult environment as, for one, the integration of the recent acquisitions should lead to substantial revenue synergies and, for another, the Gaming business is resilient in recessions as it is a comparatively cheap leisure activity (relative to travel etc.). That said, the significant operating leverage in MGI's business means that the reduction in our sales estimates leads to a substantially larger cut in our earnings estimates.

■ Across our coverage universe, we have increased our risk-free rate assumption to 2.75%. Together with a slight increase in our beta to 1.2 (from 1.1) as we attribute a higher weight to the net-debt level owing to the increase in credit spreads, this leads to an increase in our WACC from 6.9% to 9.0%. We trim our long-term EBITDA margin assumption too by 2pp to 28%, i.e. close to the midpoint of management's mid-term target range of 25% to 30%. Despite earn-out and deferred purchase price pay-outs for KingsIsle in H1 (around EUR 65m) as well as the AxesInMotion acquisition (EUR 50m) and the recent Dataseat transaction (EUR 10m) we expect the net debt/ adj. EBITDA ratio to be at 3.4 by end of 2022 (not taking LTM EBITDA of the acquisitions into account) and expect deleverage to ~2.9 by 2023 in line with the mid-term financial targets. In light of these changes, our DCF-based price target declines to EUR 4 and we reiterate our Buy rating.

Changes in Estimates:							Comment on Changes:	
FY End: 31.12. in EUR m	2022e (old)	+ / -	2023e (old)	+ / -	2024e (old)	+ / -		
Sales	310.0	-4.5 %	370.0	-10.8 %	414.0	-5.8 %	■ Recessionary environment reflected in our estimates	
EBITDA adj.	91.0	-6.6 %	128.0	-25.8 %	143.0	-20.3 %		
EBIT	57.0	-10.5 %	90.0	-36.7 %	105.0	-31.4 %		
EPS	0.17	-41.2 %	0.31	-61.3 %	0.39	-46.2 %		

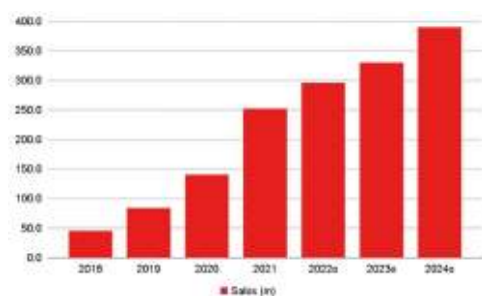


Rel. Performance vs Scale All	
1 month:	-5.5 %
6 months:	-14.8 %
Year to date:	-22.7 %
Trailing 12 months:	-37.0 %

Company events:
15.09.22 AGM

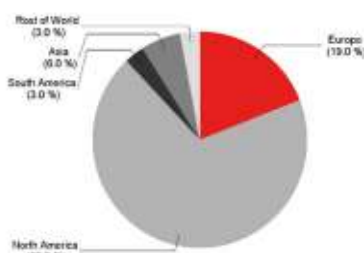
FY End: 31.12. in EUR m	CAGR (21-24e)	2018	2019	2020	2021	2022e	2023e	2024e
Sales	15.6 %	45.3	83.9	140.2	252.2	296.0	330.0	390.0
Change Sales yoy		7.6 %	85.2 %	67.1 %	79.8 %	17.4 %	11.5 %	18.2 %
EBITDA adj.		13.4	18.1	29.1	71.1	85.0	95.0	114.0
Margin	1.2 %	29.5 %	21.6 %	20.8 %	28.2 %	28.7 %	28.8 %	29.2 %
EBITDA		11.1	15.5	26.5	65.0	81.0	91.0	110.0
EBIT adj.	18.0 %	2.6	10.5	17.5	54.8	68.0	75.0	90.0
Margin		5.7 %	12.5 %	12.5 %	21.7 %	23.0 %	22.7 %	23.1 %
Net income	27.2 %	1.5	-0.3	3.1	16.1	15.5	19.5	33.1
EPS	24.1 %	n.a.	-0.01	0.03	0.11	0.10	0.12	0.21
EPS adj.	15.7 %	n.a.	0.07	0.09	0.20	0.20	0.23	0.31
DPS	-	n.a.	0.00	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.	0.06	0.09	0.27	0.09	0.21	0.33
FCF / Market cap		n.a.	5.4 %	7.0 %	5.9 %	3.9 %	9.0 %	14.6 %
EV / Sales		n.a.	1.4 x	1.5 x	3.4 x	2.2 x	1.9 x	1.6 x
EV / EBITDA		n.a.	7.8 x	7.9 x	13.1 x	8.1 x	7.1 x	5.6 x
EV / EBIT		n.a.	24.1 x	18.9 x	23.1 x	12.9 x	11.3 x	8.6 x
P / E		n.a.	n.a.	43.7 x	41.7 x	22.9 x	19.1 x	10.9 x
P / E adj.		n.a.	16.6 x	14.6 x	22.9 x	11.4 x	10.0 x	7.4 x
FCF Potential Yield		n.a.	11.7 %	10.2 %	7.3 %	11.1 %	12.8 %	15.7 %
Net Debt		38.1	46.1	79.8	198.6	289.3	276.4	253.2
ROCE (NOPAT)		6.8 %	n.a.	3.3 %	10.4 %	7.1 %	7.1 %	8.8 %
Guidance:		FY 2022: EUR 295m-315m sales, EUR 83m-93m adj. EBITDA						

Sales development
in EUR m



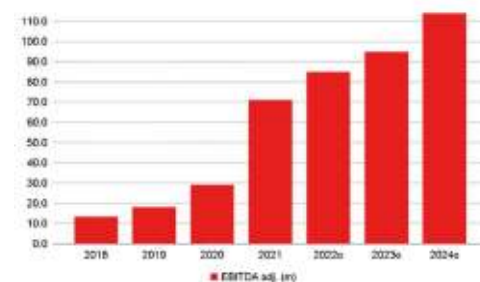
Source: Warburg Research

Revenues by regions
Q4 2021; in %



Source: Warburg Research

Adj. EBITDA development
in EUR m



Source: Warburg Research

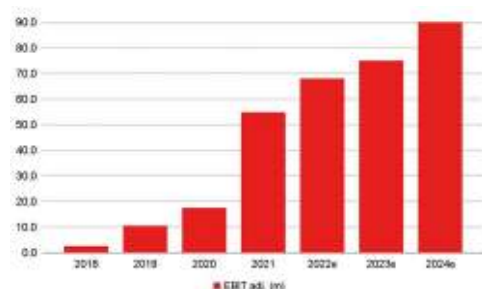
Company Background

- MGI is an advertising software platform that helps advertisers efficiently acquire customers via smartphones, computers, connected TV or DOOH as well as publishers optimally monetize their advertising space
- MGI has its own games portfolio with >5,000 casual games and >10 premium games with a total of >100 million registered players. In addition, MGI's SDK's are integrated into the apps of >5,000 publishers.
- MGI one of the largest proprietary first-party data platforms. First-party data enables better targeting as well as greater transparency in reporting and monitoring of advertising campaigns.
- MGI is one of a few providers in the Open Internet covering the entire value chain. The advantage of a full stack approach is that all processes between the advertiser and the publisher are integrated in one platform.
- The MGI business model is based on a flywheel that is driven by the software platform synergies between advertising technology and games. This relationship can be further accelerated by both M&A and innovation.

Competitive Quality

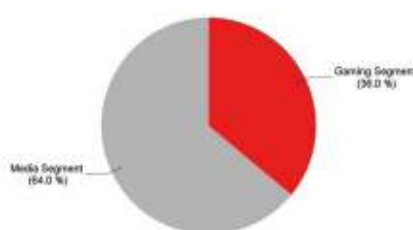
- The combination of ads & games allows MGI to optimally sell the ad-spaces in the games and leads to more efficient user acquisition representing a significant competitive advantage for the Company's own games portfolio.
- The high share of first-party data reduces vulnerability from fraud. It also makes MGI's Advertising Software Platform less reliant on third-party data, which are increasingly regulated.
- MGI's stack approach leads to improved measurability of campaign success and more targeted identification of appropriate user profiles, i.e. higher ROI for advertisers & better monetization for publishers.
- The strong proprietary games portfolio (i.e. more first-party data) will lead to more advertisers using MGI for user acquisition as they can reach a broader audience in a more targeted way (i.e. higher ROI).
- This in turn attracts more publishers who also want to monetize their ad inventory via MGI's Ad Software Platform, as there is higher demand and as the ability to sell their ad inventory at a higher price.

adj. EBIT development
in EUR m



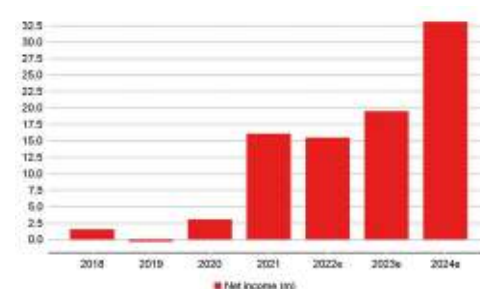
Source: Warburg Research

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	296.0	330.0	390.0	436.8	480.5	528.5	565.5	593.8	623.5	654.7	674.3	694.5	711.9	
Sales change	17.4 %	11.5 %	18.2 %	12.0 %	10.0 %	10.0 %	7.0 %	5.0 %	5.0 %	5.0 %	3.0 %	3.0 %	2.5 %	2.5 %
EBIT	51.0	57.0	72.0	78.6	86.5	95.1	101.8	106.9	112.2	117.8	121.4	125.0	128.1	
EBIT-margin	17.2 %	17.3 %	18.5 %	18.0 %	18.0 %	18.0 %	18.0 %	18.0 %	18.0 %	18.0 %	18.0 %	18.0 %	18.0 %	
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	40.8	45.6	57.6	62.9	69.2	76.1	81.4	83.4	84.2	86.0	87.4	90.0	92.3	
Depreciation	30.0	34.0	38.0	43.7	48.0	52.9	56.6	59.4	62.3	65.5	67.4	69.5	71.2	
in % of Sales	10.1 %	10.3 %	9.7 %	10.0 %	10.0 %	10.0 %	10.0 %	10.0 %	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	4.9	1.1	-1.6	4.3	5.2	5.8	4.4	3.4	3.6	3.7	2.4	2.4	2.1	
- Capex	27.0	20.0	20.0	43.7	48.0	52.9	56.6	59.4	62.3	65.5	67.4	69.5	71.2	
Capex in % of Sales	9.1 %	6.1 %	5.1 %	10.0 %	10.0 %	10.0 %	10.0 %	10.0 %	10.0 %	10.0 %	10.0 %	10.0 %	10.0 %	
- Other	122.0	20.0	30.0	40.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Free Cash Flow (WACC Model)	-83.1	38.5	47.2	18.6	63.9	70.3	77.0	80.0	80.6	82.3	85.0	87.6	90.2	92
PV of FCF	-79.8	34.0	38.2	13.8	43.6	44.0	44.1	42.1	38.9	36.4	34.5	32.6	30.8	487
share of PVs	-0.92 %			42.97 %										57.95 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	20.00 %	Financial Strength	2.10
Cost of debt (after tax)	4.9 %	Liquidity (share)	1.00
Market return	8.25 %	Cyclicality	1.25
Risk free rate	2.75 %	Transparency	1.25
		Others	1.00
WACC	9.00 %	Beta	1.32

Valuation (m)

Present values 2034e	353		
Terminal Value	487		
Financial liabilities	439		
Pension liabilities	0		
Hybrid capital	0		
Minority interest	0		
Market val. of investments	0		
Liquidity	237	No. of shares (m)	159.2
Equity Value	638	Value per share (EUR)	4.00

Sensitivity Value per Share (EUR)

Beta	WACC	Terminal Growth							Beta	WACC	Delta EBIT-margin						
		1.75 %	2.00 %	2.25 %	2.50 %	2.75 %	3.00 %	3.25 %			-1.5 pp	-1.0 pp	-0.5 pp	+0.0 pp	+0.5 pp	+1.0 pp	+1.5 pp
1.55	10.0 %	2.93	3.00	3.07	3.15	3.23	3.32	3.41	1.55	10.0 %	2.68	2.84	2.99	3.15	3.30	3.46	3.62
1.44	9.5 %	3.29	3.37	3.45	3.55	3.64	3.75	3.87	1.44	9.5 %	3.04	3.21	3.38	3.55	3.71	3.88	4.05
1.38	9.2 %	3.48	3.57	3.66	3.77	3.88	4.00	4.12	1.38	9.2 %	3.24	3.42	3.59	3.77	3.94	4.11	4.29
1.32	9.0 %	3.69	3.79	3.89	4.00	4.13	4.26	4.40	1.32	9.0 %	3.46	3.64	3.82	4.00	4.19	4.37	4.55
1.26	8.7 %	3.91	4.02	4.14	4.26	4.40	4.55	4.71	1.26	8.7 %	3.70	3.89	4.07	4.26	4.45	4.64	4.83
1.21	8.5 %	4.15	4.27	4.40	4.54	4.70	4.86	5.04	1.21	8.5 %	3.95	4.15	4.35	4.54	4.74	4.94	5.13
1.09	8.0 %	4.69	4.84	5.00	5.18	5.37	5.59	5.82	1.09	8.0 %	4.54	4.75	4.97	5.18	5.39	5.61	5.82

- 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	2018	2019	2020	2021	2022e	2023e	2024e
Price / Book	n.a.	0.8 x	0.7 x	2.1 x	1.0 x	1.0 x	0.9 x
Book value per share ex intangibles	n.a.	-1.93	-0.82	-1.99	-1.80	-1.57	-1.24
EV / Sales	n.a.	1.4 x	1.5 x	3.4 x	2.2 x	1.9 x	1.6 x
EV / EBITDA	n.a.	7.8 x	7.9 x	13.1 x	8.1 x	7.1 x	5.6 x
EV / EBIT	n.a.	24.1 x	18.9 x	23.1 x	12.9 x	11.3 x	8.6 x
EV / EBIT adj.*	n.a.	11.5 x	11.9 x	15.5 x	9.7 x	8.6 x	6.9 x
P / FCF	n.a.	18.7 x	14.4 x	16.8 x	25.8 x	11.1 x	6.9 x
P / E	n.a.	n.a.	43.7 x	41.7 x	22.9 x	19.1 x	10.9 x
P / E adj.*	n.a.	16.6 x	14.6 x	22.9 x	11.4 x	10.0 x	7.4 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.	11.7 %	10.2 %	7.3 %	11.1 %	12.8 %	15.7 %

*Adjustments made for: mostly relate to PPA amortisation

Consolidated profit & loss

In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
Sales	45.3	83.9	140.2	252.2	296.0	330.0	390.0
Change Sales yoy	7.6 %	85.2 %	67.1 %	79.8 %	17.4 %	11.5 %	18.2 %
Increase / decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Own work capitalised	4.2	10.2	16.0	22.9	24.0	25.0	25.0
Total Sales	49.5	94.1	156.2	275.0	320.0	355.0	415.0
Material expenses	17.6	45.8	77.6	138.0	155.0	171.0	195.0
Gross profit	31.8	48.3	78.6	137.0	165.0	184.0	220.0
<i>Gross profit margin</i>	<i>70.3 %</i>	<i>57.5 %</i>	<i>56.1 %</i>	<i>54.3 %</i>	<i>55.7 %</i>	<i>55.8 %</i>	<i>56.4 %</i>
Personnel expenses	14.7	27.4	39.6	56.0	66.0	73.0	85.0
Other operating income	6.7	4.6	6.3	8.6	10.0	10.0	10.0
Other operating expenses	12.7	10.0	18.7	24.7	28.0	30.0	35.0
EBITDA adj.	13.4	18.1	29.1	71.1	85.0	95.0	114.0
Margin	29.5 %	21.6 %	20.8 %	28.2 %	28.7 %	28.8 %	29.2 %
EBITDA	11.1	15.5	26.5	65.0	81.0	91.0	110.0
<i>Margin</i>	<i>24.4 %</i>	<i>18.5 %</i>	<i>18.9 %</i>	<i>25.8 %</i>	<i>27.4 %</i>	<i>27.6 %</i>	<i>28.2 %</i>
Depreciation of fixed assets	1.5	2.8	3.0	3.0	3.0	3.0	3.0
EBITA	9.6	12.7	23.5	62.0	78.0	88.0	107.0
Amortisation of intangible assets	7.0	7.7	12.5	25.2	27.0	31.0	35.0
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	2.6	5.0	11.0	36.8	51.0	57.0	72.0
<i>Margin</i>	<i>5.7 %</i>	<i>6.0 %</i>	<i>7.9 %</i>	<i>14.6 %</i>	<i>17.2 %</i>	<i>17.3 %</i>	<i>18.5 %</i>
EBIT adj.	2.6	10.5	17.5	54.8	68.0	75.0	90.0
Interest income	0.0	0.1	0.4	0.9	0.0	0.0	0.0
Interest expenses	2.1	5.8	7.5	22.8	31.0	32.0	30.0
Other financial income (loss)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBT	0.5	-0.8	3.9	14.9	20.0	25.0	42.0
<i>Margin</i>	<i>1.1 %</i>	<i>-0.9 %</i>	<i>2.8 %</i>	<i>5.9 %</i>	<i>6.8 %</i>	<i>7.6 %</i>	<i>10.8 %</i>
Total taxes	-1.1	-2.0	1.2	-1.2	4.0	5.0	8.4
Net income from continuing operations	1.6	1.3	2.7	16.1	16.0	20.0	33.6
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income before minorities	1.6	1.3	2.7	16.1	16.0	20.0	33.6
Minority interest	0.1	1.6	-0.4	0.0	0.5	0.5	0.5
Net income	1.5	-0.3	3.1	16.1	15.5	19.5	33.1
<i>Margin</i>	<i>3.4 %</i>	<i>-0.4 %</i>	<i>2.2 %</i>	<i>6.4 %</i>	<i>5.2 %</i>	<i>5.9 %</i>	<i>8.5 %</i>
Number of shares, average	n.a.	64.1	98.5	142.5	156.0	159.2	159.2
EPS	n.a.	-0.01	0.03	0.11	0.10	0.12	0.21
EPS adj.	n.a.	0.07	0.09	0.20	0.20	0.23	0.31

*Adjustments made for: mostly relate to PPA amortisation

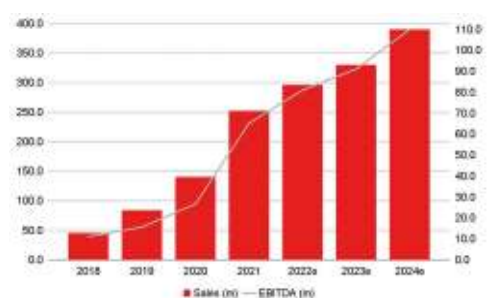
Guidance: FY 2022: EUR 295m-315m sales, EUR 83m-93m adj. EBITDA

Financial Ratios

	2018	2019	2020	2021	2022e	2023e	2024e
Total Operating Costs / Sales	84.8 %	93.6 %	92.5 %	83.3 %	80.7 %	80.0 %	78.2 %
Operating Leverage	n.a.	1.1 x	1.8 x	2.9 x	2.2 x	1.0 x	1.4 x
EBITDA / Interest expenses	5.2 x	2.7 x	3.5 x	2.8 x	2.6 x	2.8 x	3.7 x
Tax rate (EBT)	-229.8 %	265.4 %	30.6 %	-7.8 %	20.0 %	20.0 %	20.0 %
Dividend Payout Ratio	n.a.	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %

Sales, EBITDA

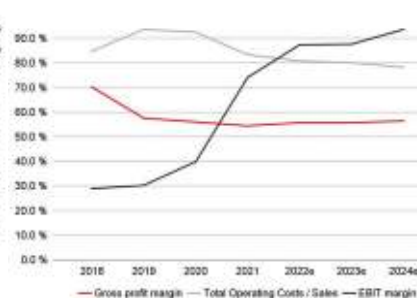
in EUR m



Source: Warburg Research

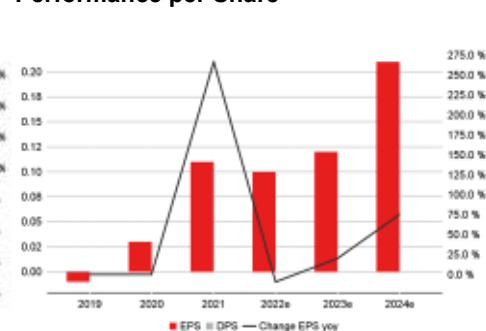
Operating Performance

in %



Source: Warburg Research

Performance per Share



Source: Warburg Research

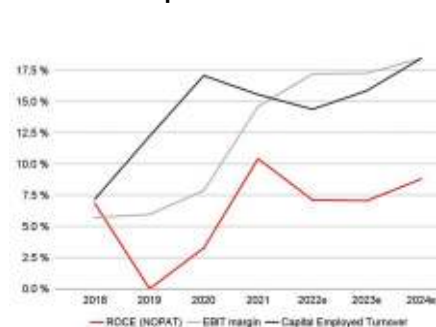
Consolidated balance sheet

In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
Assets							
Goodwill and other intangible assets	204.1	233.2	272.8	605.7	639.6	623.6	603.6
thereof other intangible assets	66.7	73.7	85.4	149.4	145.4	129.4	109.4
thereof Goodwill	133.8	147.3	164.0	412.0	449.9	449.9	449.9
Property, plant and equipment	4.2	3.5	1.7	4.7	5.7	7.7	9.7
Financial assets	11.7	19.9	18.9	40.1	95.1	115.1	145.1
Other long-term assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fixed assets	220.0	256.6	293.5	650.5	740.4	746.4	758.4
Inventories	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable	11.8	17.0	37.0	97.5	113.5	117.5	128.2
Liquid assets	4.4	33.0	46.3	180.2	154.4	167.3	190.5
Other short-term assets	0.0	5.8	9.1	5.9	5.9	5.9	5.9
Current assets	16.3	55.9	92.4	283.6	273.8	290.7	324.6
Total Assets	236.3	312.4	385.8	934.1	1,014.2	1,037.1	1,083.0
Liabilities and shareholders' equity							
Subscribed capital	59.9	98.1	117.1	149.7	159.2	159.2	159.2
Capital reserve	4.3	0.0	57.3	137.7	158.1	158.1	158.1
Retained earnings	2.9	0.0	5.6	21.7	37.2	56.7	89.8
Other equity components	0.1	0.0	-3.2	-1.6	-1.2	-0.7	-0.2
Shareholders' equity	67.2	98.1	176.8	307.4	353.3	373.3	406.9
Minority interest	91.3	70.5	0.1	0.1	0.1	0.1	0.1
Total equity	158.5	168.6	176.8	307.5	353.4	373.4	407.0
Provisions	6.7	12.6	17.3	54.0	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)	42.6	79.1	126.0	378.7	443.7	443.7	443.7
Short-term financial liabilities	3.6	6.7	6.1	32.0	32.0	32.0	32.0
Accounts payable	9.2	20.3	30.0	53.8	64.9	67.8	80.1
Other liabilities	19.3	31.9	35.7	140.1	98.1	98.1	98.1
Liabilities	77.8	143.8	209.0	626.6	660.8	663.7	676.0
Total liabilities and shareholders' equity	236.3	312.4	385.8	934.1	1,014.2	1,037.1	1,083.0

Financial Ratios

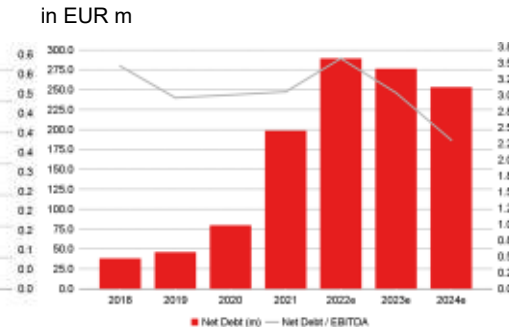
	2018	2019	2020	2021	2022e	2023e	2024e
Efficiency of Capital Employment							
Operating Assets Turnover	6.6 x	285.4 x	16.1 x	5.2 x	5.5 x	5.8 x	6.7 x
Capital Employed Turnover	0.2 x	0.4 x	0.5 x	0.5 x	0.5 x	0.5 x	0.6 x
ROA	0.7 %	-0.1 %	1.0 %	2.5 %	2.1 %	2.6 %	4.4 %
Return on Capital							
ROCE (NOPAT)	6.8 %	n.a.	3.3 %	10.4 %	7.1 %	7.1 %	8.8 %
ROE	3.3 %	-0.4 %	2.2 %	6.6 %	4.7 %	5.4 %	8.5 %
Adj. ROE	3.3 %	5.3 %	6.4 %	11.6 %	9.5 %	10.0 %	12.8 %
Balance sheet quality							
Net Debt	38.1	46.1	79.8	198.6	289.3	276.4	253.2
Net Financial Debt	38.1	46.1	79.8	198.6	289.3	276.4	253.2
Net Gearing	24.0 %	27.3 %	45.1 %	64.6 %	81.9 %	74.0 %	62.2 %
Net Fin. Debt / EBITDA	345.0 %	296.4 %	300.4 %	305.3 %	357.2 %	303.8 %	230.2 %
Book Value / Share	n.a.	1.4	1.5	2.1	2.2	2.3	2.6
Book value per share ex intangibles	n.a.	-1.9	-0.8	-2.0	-1.8	-1.6	-1.2

ROCE Development



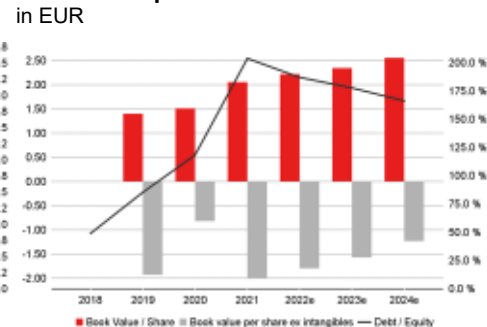
Source: Warburg Research

Net debt in EUR m



Source: Warburg Research

Book Value per Share in EUR



Source: Warburg Research

Consolidated cash flow statement

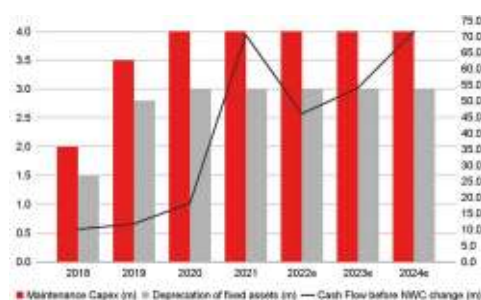
In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
Net income	1.6	1.3	2.7	16.1	16.0	20.0	33.6
Depreciation of fixed assets	1.5	2.8	3.0	3.0	3.0	3.0	3.0
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	7.0	7.7	12.5	25.2	27.0	31.0	35.0
Increase/decrease in long-term provisions	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	26.2	0.0	0.0	0.0
Cash Flow before NWC change	10.1	11.8	18.2	70.5	46.0	54.0	71.6
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	-7.0	-2.8	-60.5	-16.0	-4.0	-10.7
Increase / decrease in accounts payable	0.0	12.2	9.8	23.7	11.1	2.9	12.3
Increase / decrease in other working capital positions	0.0	0.0	0.0	31.1	0.0	0.0	0.0
Increase / decrease in working capital (total)	0.0	5.2	7.0	-5.7	-4.9	-1.1	1.6
Net cash provided by operating activities [1]	10.1	17.0	25.2	64.8	41.1	52.9	73.2
Investments in intangible assets	0.0	-11.0	-15.0	-20.0	-23.0	-15.0	-15.0
Investments in property, plant and equipment	-9.0	-2.0	-1.2	-6.0	-4.0	-5.0	-5.0
Payments for acquisitions	0.0	0.0	-21.5	-269.6	-134.9	-20.0	-30.0
Financial investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net cash provided by investing activities [2]	-9.0	-13.0	-37.7	-295.6	-161.9	-40.0	-50.0
Change in financial liabilities	0.0	16.4	-2.7	245.0	65.0	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	9.0	28.5	113.2	30.0	0.0	0.0
Other	0.0	0.0	0.0	6.0	0.0	0.0	0.0
Net cash provided by financing activities [3]	0.0	25.4	25.8	364.2	95.0	0.0	0.0
Change in liquid funds [1]+[2]+[3]	1.1	29.4	13.3	133.4	-25.8	12.9	23.2
Effects of exchange-rate changes on cash	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cash and cash equivalent at end of period	2.1	33.8	46.3	179.7	154.4	167.3	190.5

Financial Ratios

	2018	2019	2020	2021	2022e	2023e	2024e
Cash Flow							
FCF	1.1	4.0	9.0	38.8	14.1	32.9	53.2
Free Cash Flow / Sales	2.4 %	4.8 %	6.4 %	15.4 %	4.8 %	10.0 %	13.6 %
Free Cash Flow Potential	10.2	14.1	21.4	62.2	73.0	82.0	97.6
Free Cash Flow / Net Profit	69.8 %	-1237.5 %	293.5 %	241.3 %	91.2 %	168.7 %	160.7 %
Interest Received / Avg. Cash	0.5 %	0.4 %	0.9 %	0.8 %	0.0 %	0.0 %	0.0 %
Interest Paid / Avg. Debt	6.1 %	9.6 %	7.3 %	9.0 %	7.5 %	7.2 %	6.8 %
Management of Funds							
Investment ratio	19.9 %	15.5 %	11.6 %	10.3 %	9.1 %	6.1 %	5.1 %
Maint. Capex / Sales	4.4 %	4.2 %	2.9 %	1.6 %	1.4 %	1.2 %	1.0 %
Capex / Dep	106.3 %	123.3 %	104.5 %	92.2 %	90.0 %	58.8 %	52.6 %
Avg. Working Capital / Sales	0.3 %	-0.3 %	1.3 %	10.1 %	15.6 %	14.9 %	12.5 %
Trade Debtors / Trade Creditors	128.8 %	84.1 %	123.2 %	181.4 %	174.9 %	173.3 %	160.0 %
Inventory Turnover	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Receivables collection period (days)	95	74	96	141	140	130	120
Payables payment period (days)	190	162	141	142	153	145	150
Cash conversion cycle (Days)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

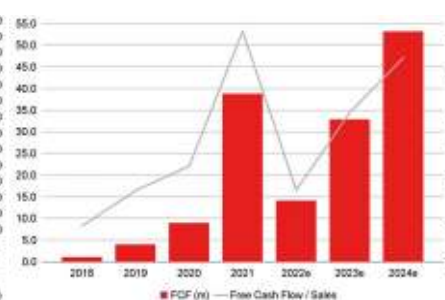
CAPEX and Cash Flow

in EUR m



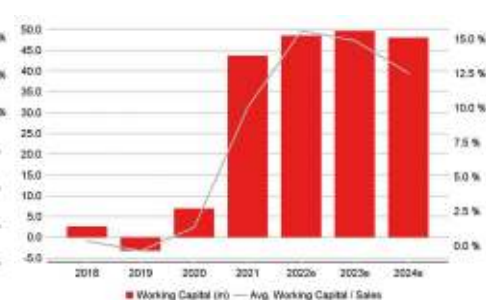
Source: Warburg Research

Free Cash Flow Generation



Source: Warburg Research

Working Capital



Source: Warburg Research

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Company	Disclosure	Link to the historical price targets and rating changes (last 12 months)
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-B-	Buy:	The price of the analysed financial instrument is expected to rise over the next 12 months.
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“-“	Rating suspended:	The available information currently does not permit an evaluation of the company.

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Rating	Number of stocks	% of Universe
Buy	167	78
Hold	40	19
Sell	5	2
Rating suspended	3	1
Total	215	100

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

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

Rating	Number of stocks	% of Universe
Buy	50	85
Hold	6	10
Sell	1	2
Rating suspended	2	3
Total	59	100

PRICE AND RATING HISTORY MEDIA AND GAMES INVEST SE AS OF 29.07.2022



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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