

EARNINGS CALL

Q1 2021

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I. Introduction

II. Business overview

III. Strategy

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Today's presenters and ownership structure

Shares listed on Frankfurt Stock Exchange and Nasdaq First North Premier Stockholm

Remco Westermann

CEO & Chairman of the Board since 2012

- Manager, entrepreneur and investors with more than 25 years of experience from various leadership positions
- Founding, reorganising and growing various companies in the new technologies and media sector
- Remco holds a MSc in Business Economics, Erasmus University, Rotterdam
- **Holdings in MGI:** 42,768,631 shares¹



Paul Echt

CFO since 2018

- Finance manager with more than 10 years of experience from the tech and finance industry
- Previously positions at UniCredit Bank in Berlin, Munich and New York as well as Shopgate Inc. in San Francisco
- Paul holds a M.A. in Business Management and Bachelor of Laws
- **Holdings in MGI:** 42,320 shares and 1,500,000 phantom stock

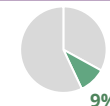


Shareholdings (128,749,748 shares)²

Remco Westermann



Remco Westermann holds his MGI shares via the German holding company Bodhivas GmbH. Bodhivas GmbH is based in Düsseldorf where Remco Westermann resides and holds the shares of Remco Westermann as well as voting rights of early gamigo Investors.



Oaktree Capital Management, LP is a USD 140bn diversified global asset manager. Oaktree has supported many European management teams growing their platform companies into recognized market leaders including the creation and development of multi-billion listed companies. Oaktree has been able to conclude the required share capital increase within a short period of time because of their high degree of familiarity with MGI and the European games & media sector.

Free float



The free float is composed of retail and institutional investors who bought the shares on the secondary market, as well as institutional investors from the EUR 8 million capital increase in July 2019 and the EUR 29 million share issue that took place in September 2020, including UBS, Skandia Fonder, Atlant Fonder and Knutsson Holdings.

Source: Group information

Note: 1) Bodhivas GmbH has obligations outstanding from a capital increase in 2019 towards investors which can buy shares in the amount of up to 1.3 million at 1.20 euro per share (2) To hire top key employees as well as retaining employees the board has decided to launch a ESOP program and to allow for the issuance of up to 15 million new MGI shares, earliest from May 2024 and latest till December 2030 via an option at a strike price of minimal Euro 2.60 per share.

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Financial Highlights Q1 2021

The Group's quarterly performance



Source: Group information

Major acquisitions



KINGSISLE.

"Wizard101, The Harry Potter Of Online Games"

Forbes



LKQD

Nexstar digitals connected TV Platform reaching over 200 million unique monthly users

Introduction to Media and Games Invest

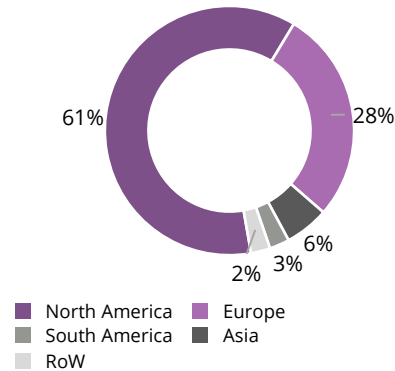
A leading European gaming and digital media powerhouse serving customers worldwide

Key facts

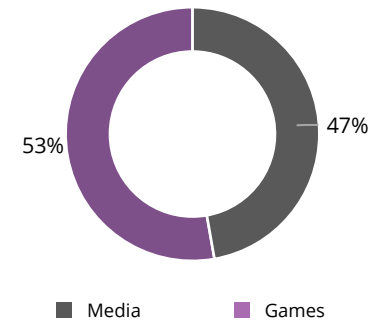
- +30 M&A** Transaction since 2012
- EUR ~600m** Market cap
- Listed** on Frankfurt Stock Exchange and NASDAQ First North Premier Stockholm
- +800** Employees
- +10** Top MMOs¹
+5,000 Casual games
- +100m** Registered gamers
- +111bn** ads delivered yearly
- +5,000** Advertisers

Key revenue splits

Revenues by region (Q1'21)

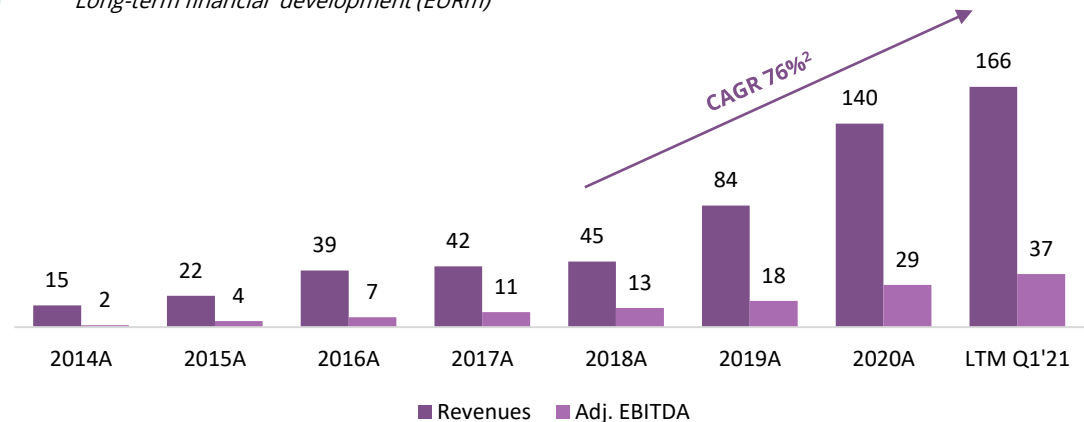


Revenues by segment (Q1'21)



Key financial development

Long-term financial development (EURm)



Source: Group information

Notes: 1) Massively Multiplayer Online games 2) CAGR 2018 - LTM Q1 2021

MGI's two divisions

Q1 2021 financials at a glance

Games: Development and publishing

EUR 27.4m

Revenue

97%

YoY growth

EUR 10.9m

Adj. EBITDA

40%

Adj. EBITDA margin

Revenue steams

In-game purchases

Game subscriptions

Advertisement revenues



Brand



Media: User acquisition technology infrastructure

EUR 24.5m

Revenue

94%

YoY growth

EUR 2.6m

Adj. EBITDA

11%

Adj. EBITDA margin

Revenue steams

SaaS fees

Agency fees

Ad commission



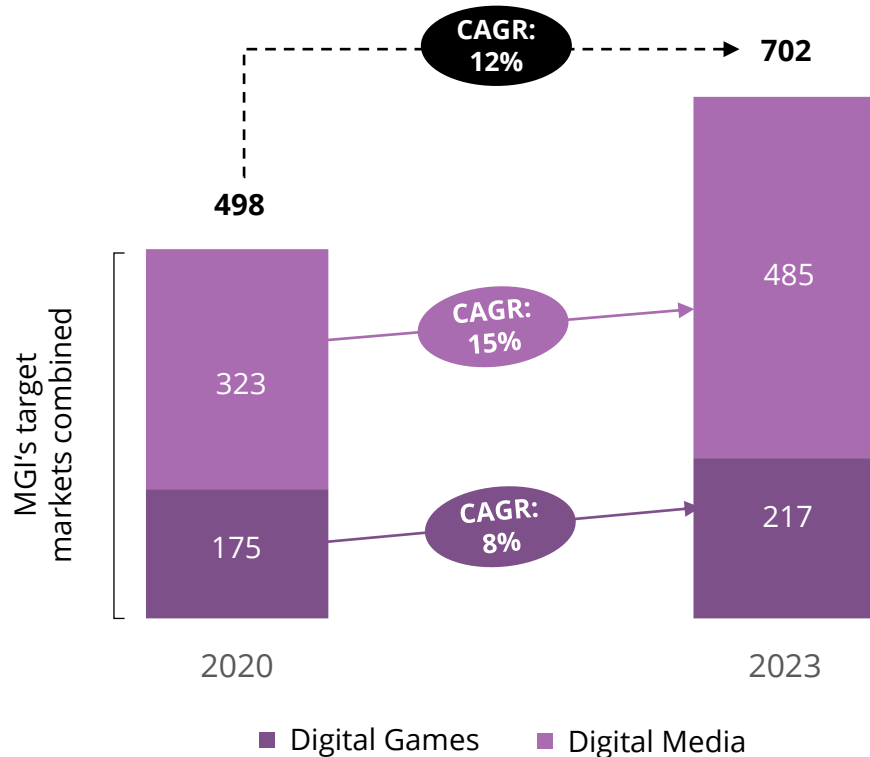
Brand



Outperforming markets by combining „Media and Games“ Media and Games Invest

3.2x higher organic growth than the markets

MGI's addressable markets (\$ billion)



The sum is greater than its parts (Q1 2021)

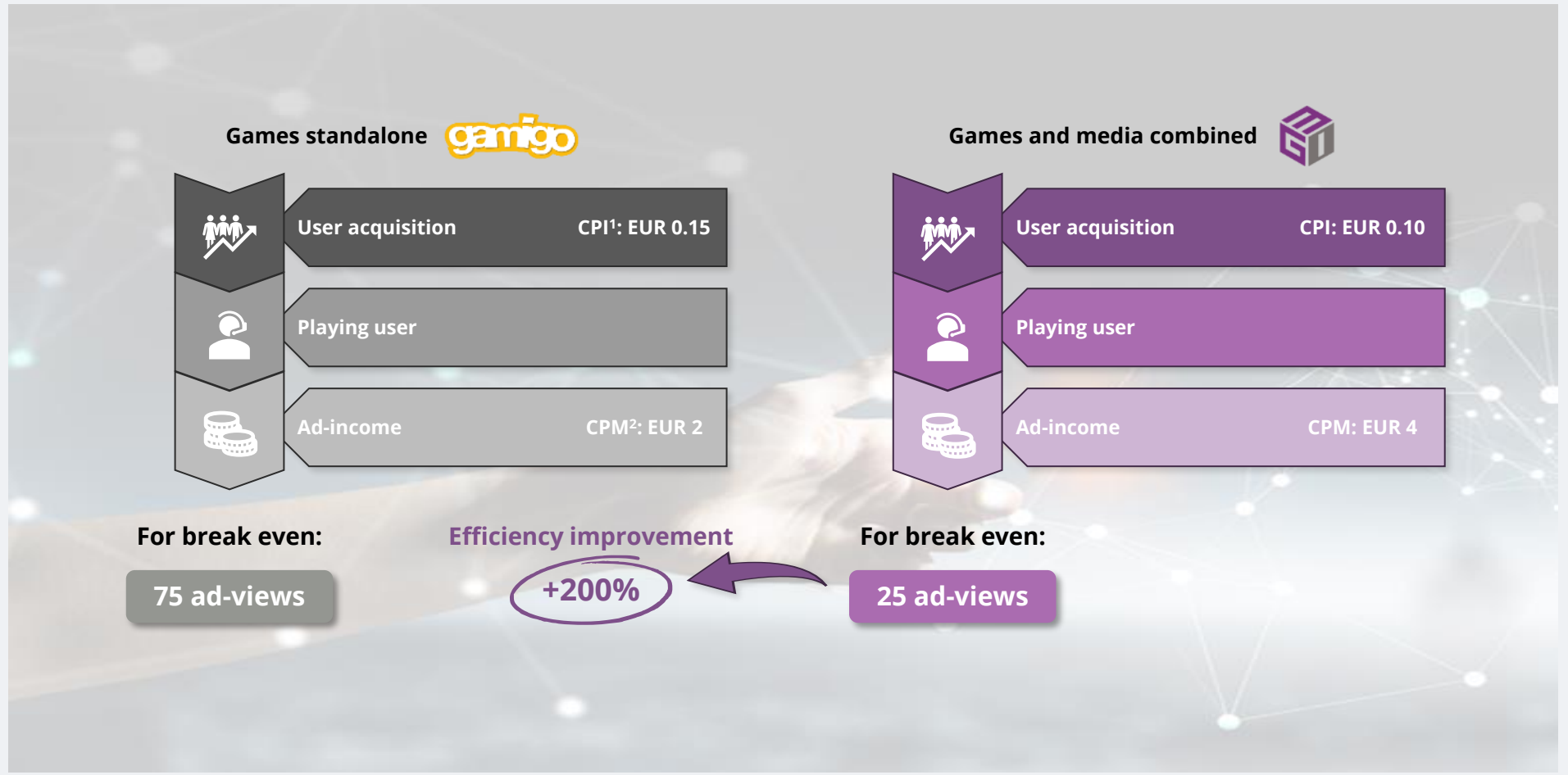


38% organic growth

High cost advantages through synergies

Reduced user acquisition cost combined with higher ad-income











Games and media combined: optimising the value chain




Source: Group information, example for a typical mobile game app promoted via paid ads, with income generated by paid ads, excluding any other costs
Notes: 1) CPI = Cost Per Install, 2) CPM = Cost Per Thousand Impression

Highlights Q1 2021

Initiatives in MGI's both segments facilitated strong revenue growth in the first quarter of 2021

 Games	 Media
 <p>ACQUISITION OF KINGSISLE</p>	 <p>ACQUISITION OF LKQD</p>
 <p>TROVE SOUTH KOREA</p>	 <p>LAUNCH IN JAPAN</p>
 <p>ECHO OF SOUL MASSIVE 3.0 UPDATE</p>	 <p>NEW UNIFIED BRAND LAUNCH FOR VERVE GROUP</p>
 <p>ARCHEAGE AKASCH INVASION UPDATE</p>	 <p>GROWTH OF MOBILE GAMES PUBLISHERS</p>

 **97% revenue growth Q1'2021 YoY**

 **94% revenue growth Q1'2021 YoY**

Source: Group information

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Robust model enabling long-term value creation

"Buy, integrate, build & improve" strategy consequently implemented since 8 years

Overview of MGI's strategy



Market consolidation through prudent M&A strategy



Overall M&A strategy

Focusing on inefficient targets



Products

Accretive technology, products and customer bases



Synergies

Targets to offer clear synergies



Integration and synergy realisation



Cost efficiency

Unified management structure



Technical integration

Connected platforms and hybrid cloud



Cost savings

Cancellation and renegotiation of contracts



Ramp-up of organic sales growth



Improvements

Of products and technology



User base

Initiatives to grow existing user base



Internationalisation

Of existing products and solutions to new markets

Built on a prudent and tested M&A strategy

1 MGI has a strong M&A track record...

>30

<24 months
for EBITDA negative cases

<6x EBITDA
for EBITDA positive cases

EUR 5-40m

Number of acquisitions since 2013

Typical pay-back time

Purchase price of acquisitions¹

Typical size of targets²

2 ...which facilitates integration...

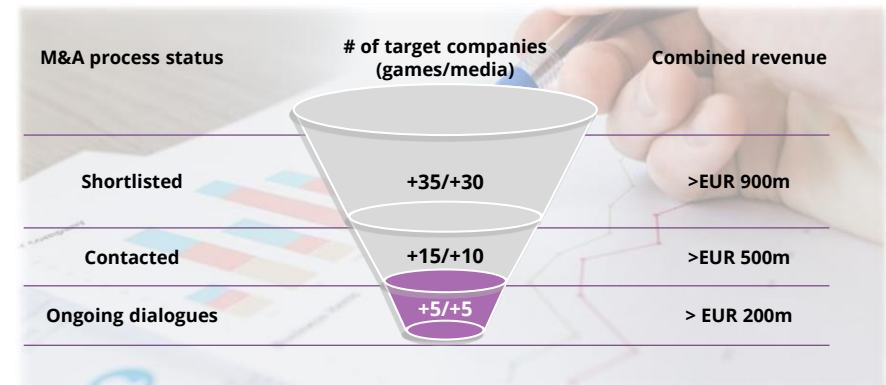


Integration and enhancement plan prior to completing M&A

Enhance efficiency and profitability of the acquired company

Targets contribute ~20-40% EBITDA margin post-acquisition and integration

3 ...and scope to continuously evaluate new targets



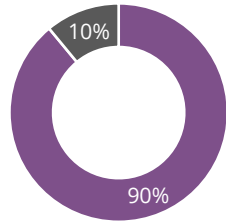
Source: Group information

Notes: 1) Average payback period across all acquisitions since 2013 (excluding Aeria Games which was a large rule changing acquisition paid in shares), 2) Typical size of targets taking into account revenues that are discontinued, 3) Targets overview as of February 2021

Acquisition of KingsIsle above plan in Q1 2021

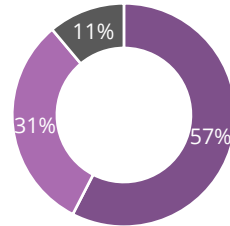
Contributes with 17% to MGI's group revenues in the first quarter 2021

Revenues by Regions



■ United States ■ Rest of World

Revenues by Type



■ In-game revenues
■ Subscription revenues
■ Other



"Wizard101, The Harry Potter Of Online Games"

Forbes

A multiple award-winning studio



Revenue of
USD +32m
(e2021)

Adj. EBITDA of
USD +21m
(e2021)

EBITDA
margin of
66%

Purchase
Price
USD 126m

EV/EBITDA
multiple of
6.0x

Oaktree
Capital
EUR 25m

Strong M&A pipeline with EUR +150m revenues

Several good targets in the pipeline, with some signings expected soon



Market consolidation through prudent M&A strategy



Overall M&A strategy

Focusing on inefficient targets



Products

Accretive technology, products and customer bases



Synergies

Targets to offer clear synergies



Overview of cases with good potential to be signed within next 6 months¹:



Online MMO publisher & developer
Own and licensed IP's, RPG-focus, 60-80m revenues, profitable



Demand side platform
Own IP, strong customer base, 20-30m revenues, profitable



Demand side platform
Own IP, strong customer base, 30-40m revenues, profitable



Mobile & online MMO publisher & developer
Own IP, RTS-focus, 10-20m revenues, profitable



Mobile MMO publisher & developer
Own IP, RTS-focus, 5-10m revenues, profitable

Source: Group information

Note 1) Disclaimer; an M&A deal is only a signed and closed after signing and closing; before that any deal can fall apart and also new deals can appear

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First quarter financial highlights

Revenues increased by 96% and adjusted EBIT by 173%



Net revenues

amounted to 51.9 mEUR (Q1'20: 26.5 mEUR), which is an increase of 96%.



Adjusted EBITDA

amounted to 13.5 mEUR (Q1'20: 5.9 mEUR), which is an increase of 127%.



Adjusted EBIT

amounted to 9.3 mEUR (Q1'20: 3.4 mEUR), which is an increase of 173%.



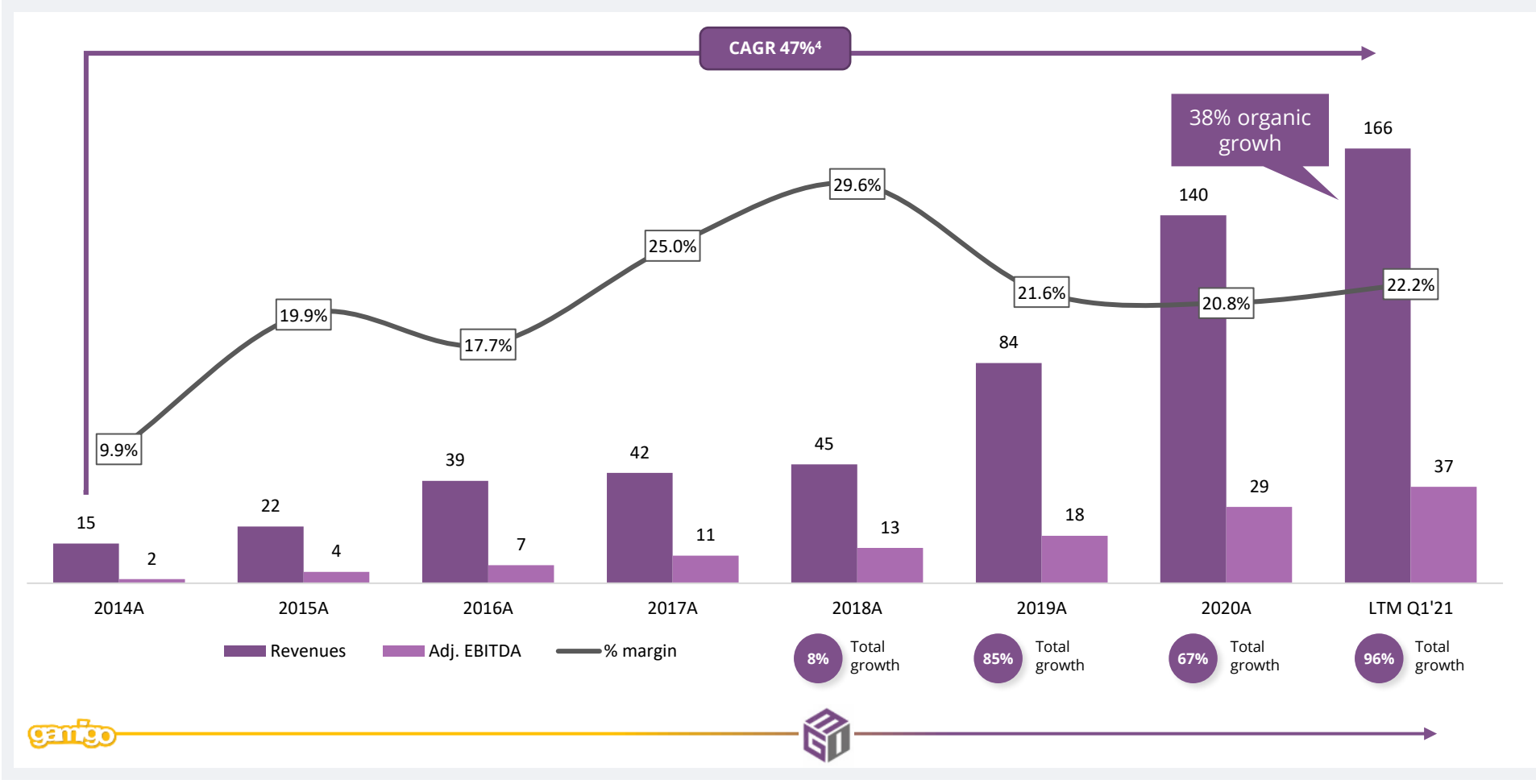
Operating Cashflow

amounted to 11.3 mEUR (Q1'20: 6.2 mEUR), which is an increase of 83%.

Summary of financial performance

Profitable business model with an increasing share of organic growth

Long-term financial development (EURm)^{1,2,3}



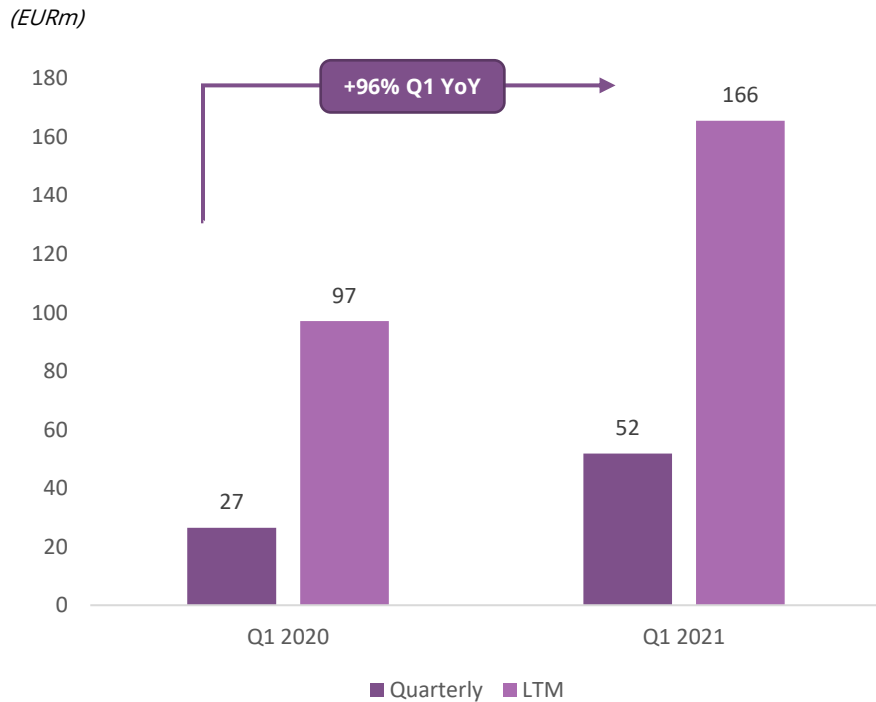
Source: Group information

Notes: (1) gamigo standalone figures until 2018, EBITDA adjusted for one-time-, M&A and financing costs, (2) gamigo was acquired by MGI in May 2018, (3) Consensus 2021: Consensus reported EBITDA plus EUR 3m adjustments for one time costs (4) growth rate CAGR 2014 – LTM Q1 2021

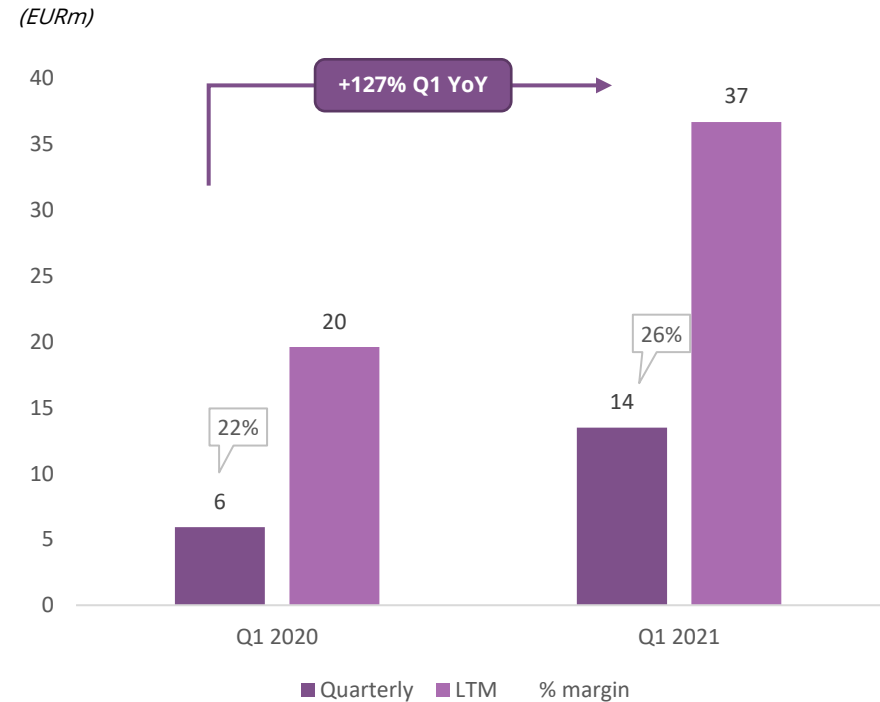
First quarter revenue and EBITDA development

Growing 8x faster than the media and games market in 2020-2023E¹

Revenue



Adj. EBITDA



Strong Revenue Growth

Q1'21 YoY: All time high in revenues with 38% underlying organic growth



Strong EBITDA Growth

All time high in EBITDA due to Kingsisle and improved media margins

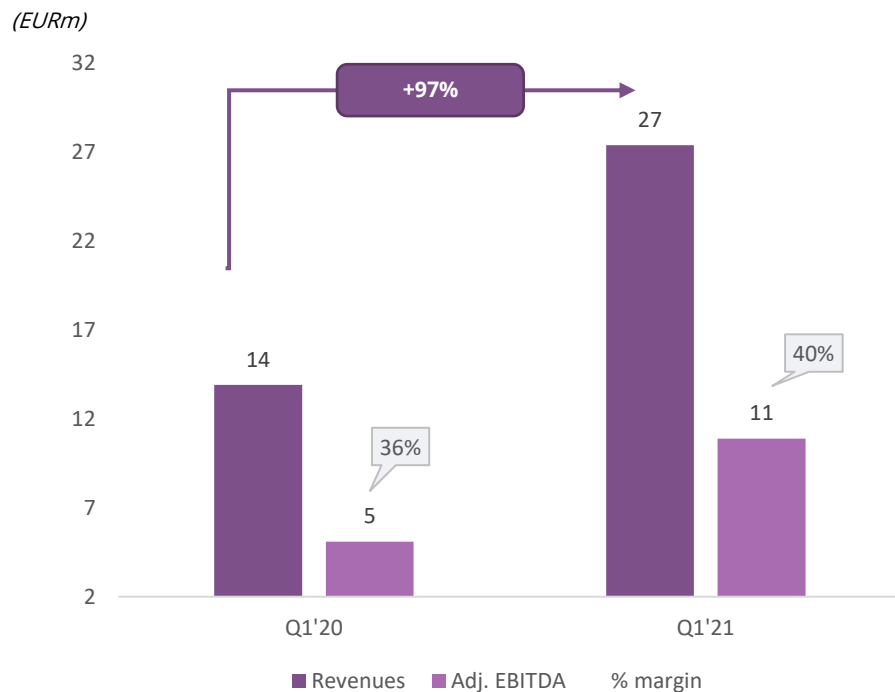
Source: Group information

Notes: 1) 96% vs. 12% reported by Newzoo and eMarketer for 2020-2023E (Global Games Market Report & eMarketer Global Digital Ad Spending Update Q2 2020)

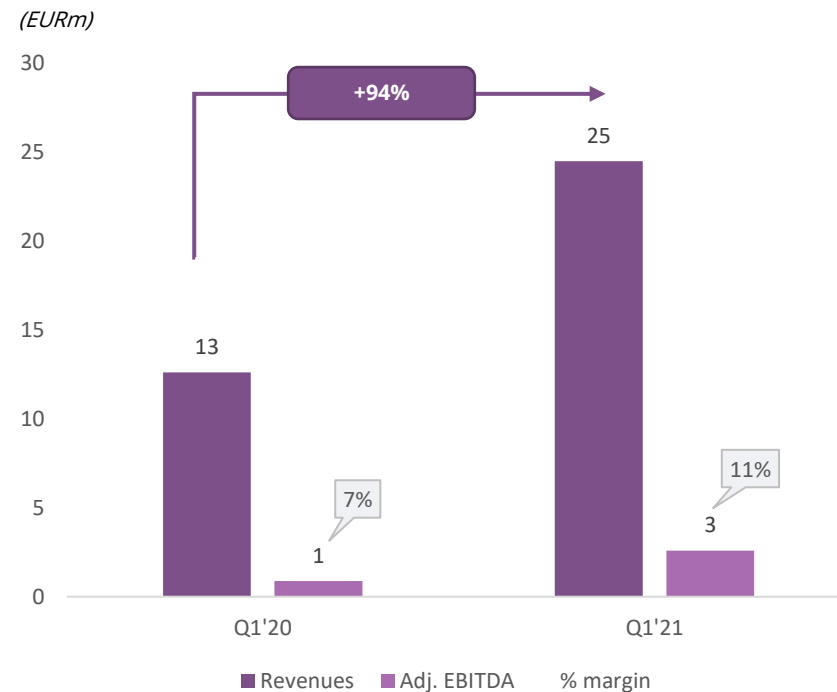
First quarter segment performance

Strong organic growth of both segments combined with M&A

Games Segment



Media Segment



High growth due to M&A and new players

All time highs in terms of revenue and EBITDA outperforming Q1 2020 based on the KingsIsle acquisition and an increased player base

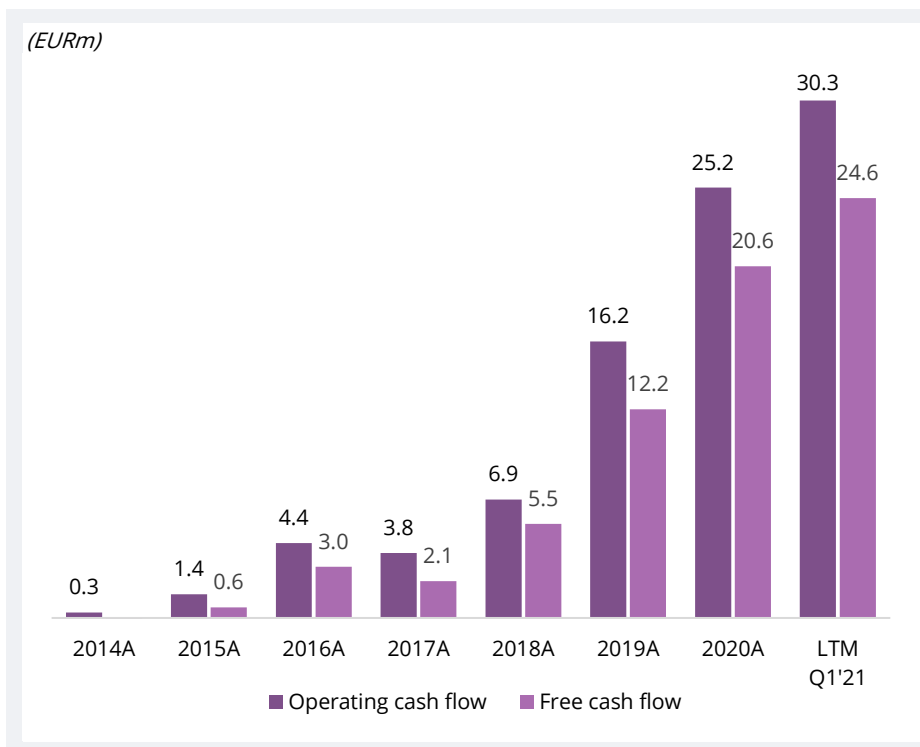


High growth as clients increasing volumes

The Media segment outperformed the already strong Q1/Q4 2020 due to new and existing accounts increasing volumes as well as the LKQD acquisition

Source: Group information

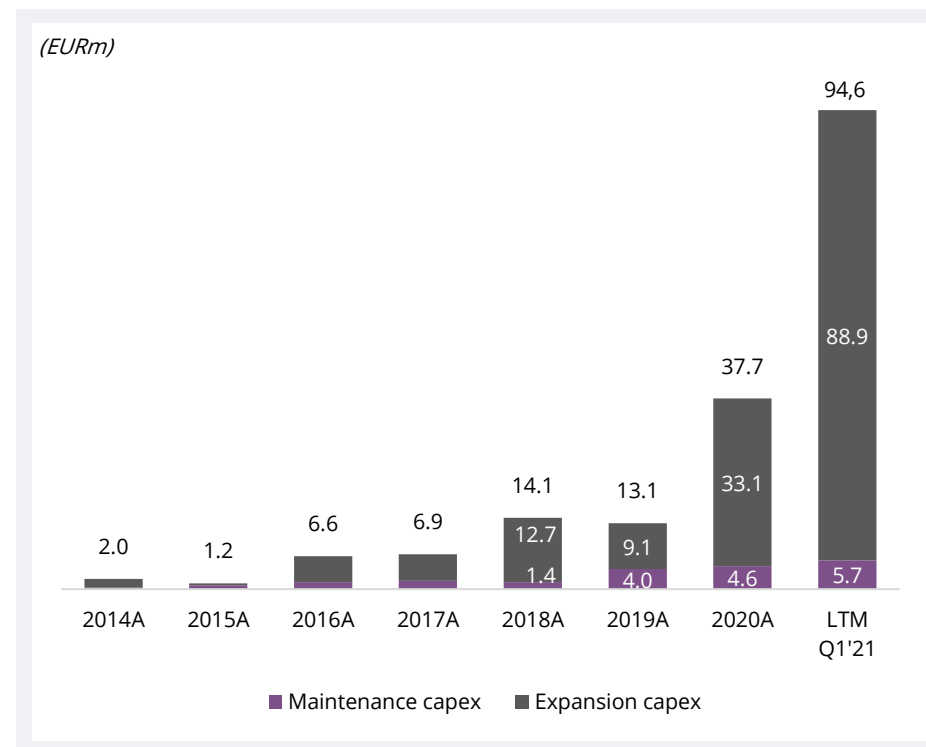
Operating cash flow development^{1,2,3}



Highly cash generating business model

- Operating cash flow increased YoY in Q1'21 by 83 percent
- Strong underlying Free Cashflow due to limited maintenance capex

Capex development



Limited maintenance capex

- Maintenance capex increased due to organic growth investments into games
- Expansion capex increased due to the KingsIsle acquisition

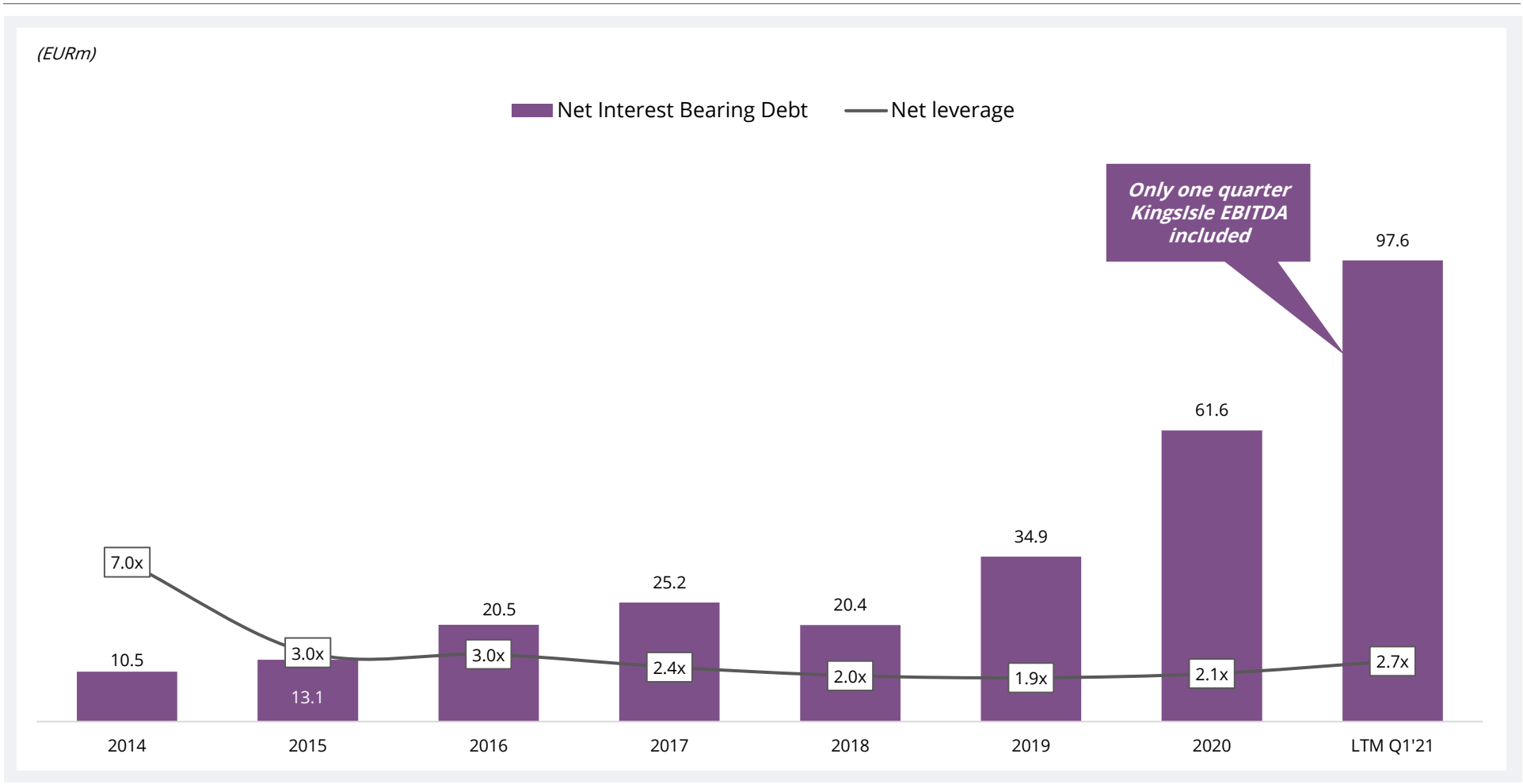
Source: Group information

Notes: (1) Operating cash flow defined as in the annual IFRS financial statements. (2) Free Cash Flow defined as Operating Cash flow - Maintenance Capex. (3) Until 2017 gamigo Group standalone

Long-term net leverage development

KingsIsle EBITDA contribution will lead to strong deleverage in the coming quarters

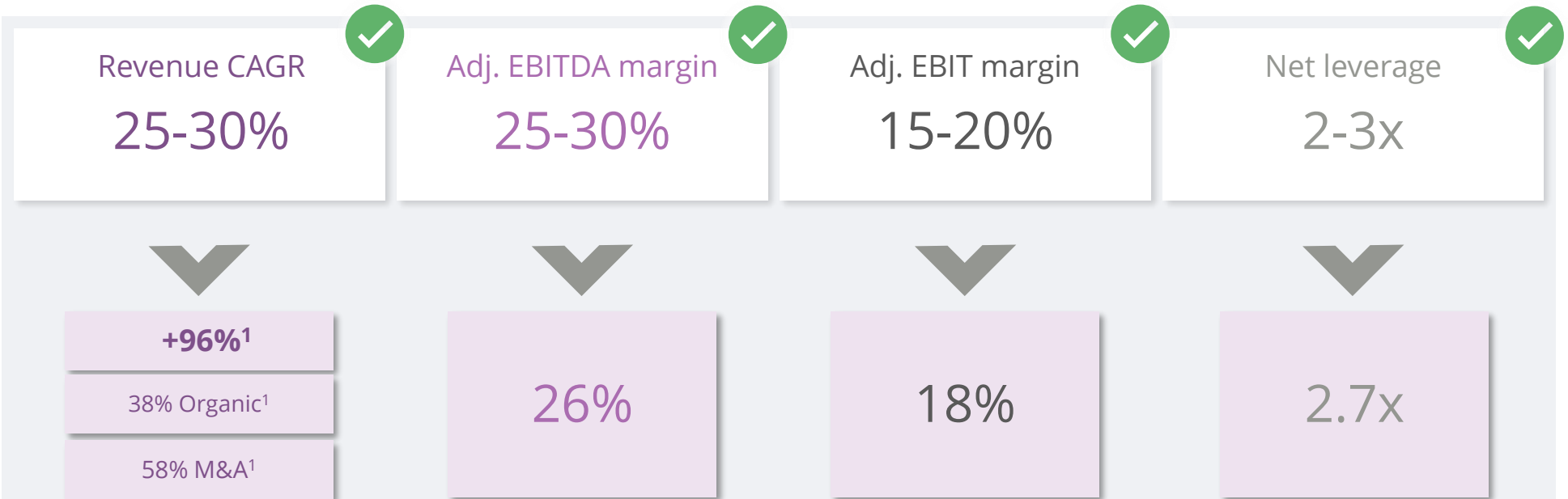
Net leverage to adj. EBITDA ratio development¹



Source: Group information,
Notes: 1) 2014 – 2017 gamigo group numbers. 2018 -2021 MGI Group numbers.

Prudent mid-term financial targets

Financial Targets well outperformed in Q1 2021



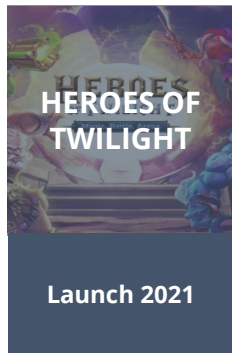
Source: Group information

Note 1) Q1'21 vs Q1'20 (YoY comparison)

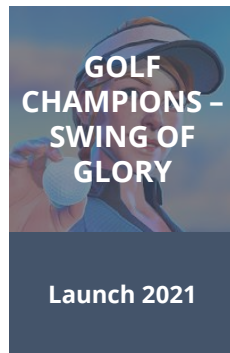
Outlook 2021: Strongest organic growth pipeline in history

New games and ad-tech launches set to further increase growth and profitability

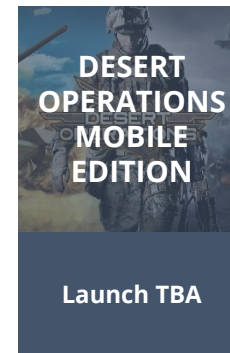
Overview of the current announced organic pipeline



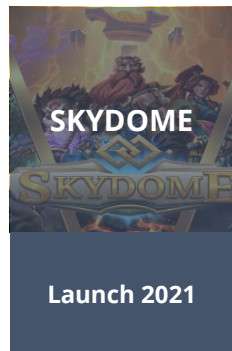
- The new free-to-play mobile title is headed to Android and iOS devices this summer
- A mix of genres that bring turn-based tactical combat into real-time PvP battles
- Developed by the top Canadian Games Studio BKOM



- Worldwide development rights of the triple A mobile game Golf Champions – Swing of Glory
- Competitive, Free2Play game allowing users to compete in different leagues
- Players improving skills by competing against each other



- Successful game currently only available on browser and PCs
- Strategy games have proven successful on mobile devices in the past
- Will be available on mobile in a completely new setting to reach a broad audience and ample playtime



- The 4 vs 4 tower defense battle arena is developed by Kinship Entertainment and will be published by gamigo in Europe and North America.



- Integrating full stack expanding to CTV
- Leveraging existing gaming data to improve advertising efficiency and improve user acquisition
- Focus on customer acquisition and x-selling solutions to existing customers



- To be announced soon...



- Sequels and new platform launches of existing games; various projects in the pipeline with total development cost volume of EUR +5m
- In-licensing deals for various MMOs and mobile games, some of which are ready to launch
- Out-licensing deals with publishers in China and South East Asia for some of MGI's games IPs have been initiated
- Numerous other organic growth initiatives in the pipeline including both games and ad-tech solutions

