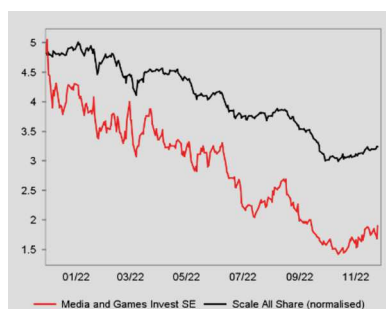


Buy EUR 4.00	Value Indicators: EUR DCF: 4.00	Warburg ESG Risk Score: 2.0 ESG Score (MSCI based): 3.0 Balance Sheet Score: 2.0 Market Liquidity Score: 1.0	Description: MGI is an advertising software platform with strong first-party games content.
	Market Snapshot: EUR m Market cap: 302.9 No. of shares (m): 159.2 EV: 601.1 Freefloat MC: 224.1 Ø Trad. Vol. (30d): 281.89 th	Shareholders: Freefloat: 74.00 % Bodhivas (Remco Western.): 26.00 % Oaktree Capital Management: 14.80 % Henderson Global Investors: 2.90 %	Key Figures (WRe): 2022e Beta: 1.3 Price / Book: 0.9 x Equity Ratio: 35 % Net Fin. Debt / EBITDA: 3.6 x Net Debt / EBITDA: 3.6 x
Price: EUR 1.90 Upside: 110.3 %			

A rare exception: accelerating growth in a declining market

- Last week MGI reported strong Q3 results with sales growth of 39% to EUR 87.6m, which was even slightly faster than in Q2 (37%) although the Smaato acquisition annualized on September 1. Organic growth consequently accelerated to 23% in the quarter, 5pp faster than in Q2. Adj. EBITDA grew 21% to EUR 23.0m, equivalent to a margin of 26%. The 4pp yoy-decline in the EBITDA margin reflects additional hiring to drive organic growth, the increase in administrative expenses for the relocation of the headquarters to Sweden and, above all, the pressure on CPM prices (27% increase in ad impressions, i.e. 4pp faster growth than organic sales), which led to rising infrastructure costs.
- With the two largest TV stations in Germany reporting a decline of 10% in ad-spend in Q3, the advertising recession has clearly started. Even global behemoths like Alphabet are now slowing (Q3: 11% growth, 5pp slower than Q2). Among its direct ad-tech peers, bellwethers like Trade Desk reported slower growth in Q3 (albeit only 4pp to 31%) and even larger players such as Applovin struggled (2% revenue decline, 18pp weaker than in Q2). Against this background, MGI is a rare exception as not only did it report decent double-digit organic growth but also a 5pp acceleration of growth.
- The combination of the strong track record in an adverse ad-spend environment, new product launches (contextualization of ads, new games), as well as the further build-up of the sales force strengthen our confidence that MGI should continue to grow in 2023 despite a looming recession. While CPM prices pose a headwind, energy costs are not an issue for MGI as most servers are based in the US and cloud services are covered by fixed-price contracts. De-emphasizing M&A and focusing on organic growth and cost management should allow MGI to reach its 25% to 30% adj. EBITDA target margin also in 2023. Once CPM prices rebound, MGI's growth will be turbocharged, which would easily imply a mid to high single-digit tailwind relative to the current situation on the top line which will consequently also lead to cost leverage. While it is too early to tell, we see good chances for 2024 CPM to improve relative to our model scenario of a recessionary 2023.
- The EGM on November 1 approved the relocation to Sweden, the split of CEO and chairman roles and the engagement of a new "big-four" auditor (Deloitte). In parallel an Audit and Remuneration Committee with highly experienced Chairs was also implemented in the third quarter, further strengthening the governance body of MGI. We confirm our Buy rating and EUR 4 price target. Our ad-tech peer group trades on 13x EV/EBITDA 2022, thus MGI is very attractively valued compared with its peers, trading on a discount of more than 50%.

Changes in Estimates:				Comment on Changes:			
FY End: 31.12. in EUR m	2022e (old)	+ / -	2023e (old)	+ / -	2024e (old)	+ / -	
Sales	296.0	7.8 %	330.0	3.0 %	390.0	2.6 %	<ul style="list-style-type: none"> We raise our estimates following the strong Q3 results and the increase in the FY sales guidance to EUR 315-325m (prev. EUR 295-315m). Our model sees Q4 2022 sales and earnings in line with Q3. As Q4 is seasonally the strongest quarter, this should be a conservative approach, although we expect macroeconomic headwinds to strengthen.
EBITDA adj.	85.0	0.0 %	95.0	0.0 %	114.0	0.0 %	
EBIT	51.0	0.0 %	57.0	0.0 %	72.0	0.0 %	
EPS	0.10	0.0 %	0.12	0.0 %	0.21	0.0 %	

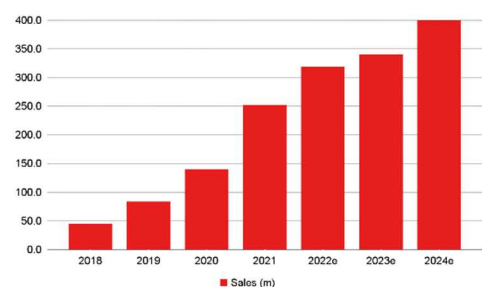


Rel. Performance vs Scale All	
1 month:	5.5 %
6 months:	-18.9 %
Year to date:	-22.1 %
Trailing 12 months:	-30.1 %

Company events:	

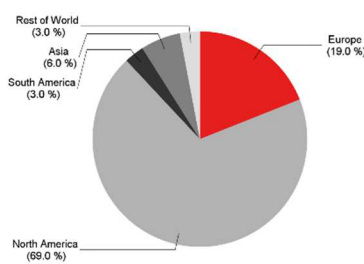
FY End: 31.12. in EUR m	CAGR (21-24e)	2018	2019	2020	2021	2022e	2023e	2024e
Sales	16.6 %	45.3	83.9	140.2	252.2	319.0	340.0	400.0
Change Sales yoy		7.6 %	85.2 %	67.1 %	79.8 %	26.5 %	6.6 %	17.6 %
EBITDA adj.		13.4	18.1	29.1	71.1	85.0	95.0	114.0
Margin	0.4 %	29.5 %	21.6 %	20.8 %	28.2 %	26.6 %	27.9 %	28.5 %
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 %	21.3 %	22.1 %	22.5 %
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	0.07	0.22	0.34
FCF / Market cap		n.a.	5.4 %	7.0 %	5.9 %	3.4 %	11.7 %	17.7 %
EV / Sales		n.a.	1.4 x	1.5 x	3.4 x	1.9 x	1.7 x	1.4 x
EV / EBITDA		n.a.	7.8 x	7.9 x	13.1 x	7.4 x	6.4 x	5.1 x
EV / EBIT		n.a.	24.1 x	18.9 x	23.1 x	11.8 x	10.2 x	7.8 x
P / E		n.a.	n.a.	43.7 x	41.7 x	19.0 x	15.9 x	9.1 x
P / E adj.		n.a.	16.6 x	14.6 x	22.9 x	9.5 x	8.3 x	6.1 x
FCF Potential Yield		n.a.	11.7 %	10.2 %	7.3 %	12.1 %	14.1 %	17.4 %
Net Debt		38.1	46.1	79.8	198.6	293.2	277.9	254.4
ROCE (NOPAT)		6.8 %	n.a.	3.3 %	10.4 %	7.1 %	7.0 %	8.8 %
Guidance:		FY 2022: EUR 315m-325m sales, EUR 83m-93m adj. EBITDA						

Sales development
in EUR m



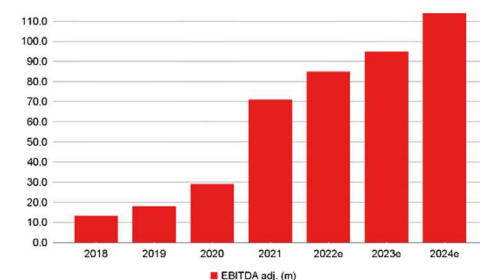
Source: Warburg Research

Revenues by regions
Q4 2021; in %



Source: Warburg Research

Adj. EBITDA development
in EUR m



Source: Warburg Research

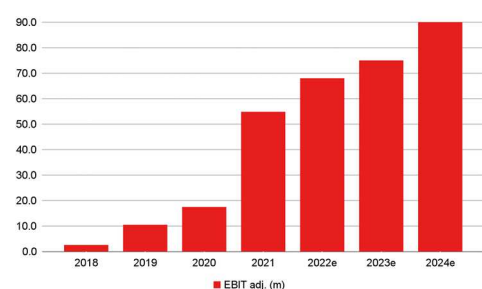
Company Background

- 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 & mobile games and >10 premium games with a total of >800 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

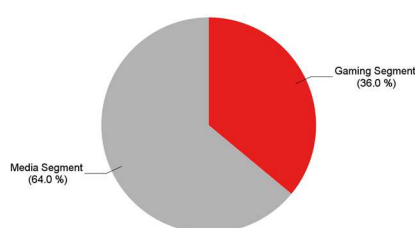
- The combination of ads & games allows MGI to optimally sell the ad-spaces in the games and leads to more efficient user acquisition representing a significant competitive advantage for the Company's own games portfolio.
- The high share of first-party data reduces vulnerability from fraud. It also 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



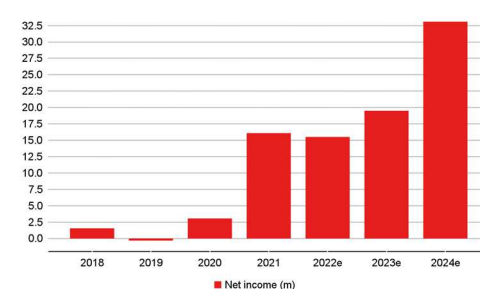
Source: Warburg Research

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	319.0	340.0	400.0	448.0	492.8	542.1	580.0	609.0	639.5	671.5	691.6	712.3	730.2	
Sales change	26.5 %	6.6 %	17.6 %	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	80.6	88.7	97.6	104.4	109.6	115.1	120.9	124.5	128.2	131.4	
EBIT-margin	16.0 %	16.8 %	18.0 %	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	64.5	71.0	78.1	83.5	85.5	86.3	88.2	89.6	92.3	94.6	
Depreciation	30.0	34.0	38.0	44.8	49.3	54.2	58.0	60.9	63.9	67.1	69.2	71.2	73.0	
in % of Sales	9.4 %	10.0 %	9.5 %	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	8.8	-1.3	-1.9	4.5	5.4	5.9	4.6	3.5	3.7	3.8	2.4	2.5	2.1	
- Capex	27.0	20.0	20.0	44.8	49.3	54.2	58.0	60.9	63.9	67.1	69.2	71.2	73.0	
Capex in % of Sales	8.5 %	5.9 %	5.0 %	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)	-87.0	40.9	47.5	20.1	65.6	72.1	79.0	82.0	82.7	84.4	87.2	89.8	92.5	95
PV of FCF	-81.5	35.2	37.5	14.5	43.6	44.0	44.2	42.1	38.9	36.4	34.6	32.7	30.8	487
share of PVs	-1.06 %			43.08 %										57.98 %

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	637	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 %	2.92	2.99	3.06	3.13	3.22	3.30	3.40	1.55	10.0 %	2.67	2.82	2.98	3.13	3.29	3.45	3.60
1.44	9.5 %	3.28	3.36	3.44	3.54	3.64	3.74	3.86	1.44	9.5 %	3.03	3.20	3.37	3.54	3.70	3.87	4.04
1.38	9.2 %	3.48	3.56	3.66	3.76	3.87	3.99	4.12	1.38	9.2 %	3.24	3.41	3.59	3.76	3.94	4.11	4.28
1.32	9.0 %	3.69	3.78	3.89	4.00	4.13	4.26	4.40	1.32	9.0 %	3.46	3.64	3.82	4.00	4.18	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	4.08	4.26	4.45	4.64	4.83
1.21	8.5 %	4.16	4.28	4.41	4.55	4.70	4.87	5.05	1.21	8.5 %	3.96	4.15	4.35	4.55	4.75	4.94	5.14
1.09	8.0 %	4.71	4.86	5.02	5.20	5.39	5.60	5.84	1.09	8.0 %	4.55	4.76	4.98	5.20	5.41	5.63	5.84

- 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	0.9 x	0.8 x	0.7 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	1.9 x	1.7 x	1.4 x
EV / EBITDA	n.a.	7.8 x	7.9 x	13.1 x	7.4 x	6.4 x	5.1 x
EV / EBIT	n.a.	24.1 x	18.9 x	23.1 x	11.8 x	10.2 x	7.8 x
EV / EBIT adj.*	n.a.	11.5 x	11.9 x	15.5 x	8.8 x	7.8 x	6.2 x
P / FCF	n.a.	18.7 x	14.4 x	16.8 x	29.6 x	8.6 x	5.7 x
P / E	n.a.	n.a.	43.7 x	41.7 x	19.0 x	15.9 x	9.1 x
P / E adj.*	n.a.	16.6 x	14.6 x	22.9 x	9.5 x	8.3 x	6.1 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 %	12.1 %	14.1 %	17.4 %

*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	319.0	340.0	400.0
Change Sales yoy	7.6 %	85.2 %	67.1 %	79.8 %	26.5 %	6.6 %	17.6 %
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	27.0	30.0	30.0
Total Sales	49.5	94.1	156.2	275.0	346.0	370.0	430.0
Material expenses	17.6	45.8	77.6	138.0	190.0	200.0	225.0
Gross profit	31.8	48.3	78.6	137.0	156.0	170.0	205.0
<i>Gross profit margin</i>	<i>70.3 %</i>	<i>57.5 %</i>	<i>56.1 %</i>	<i>54.3 %</i>	<i>48.9 %</i>	<i>50.0 %</i>	<i>51.3 %</i>
Personnel expenses	14.7	27.4	39.6	56.0	72.0	74.0	85.0
Other operating income	6.7	4.6	6.3	8.6	25.0	25.0	25.0
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 %	26.6 %	27.9 %	28.5 %
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>25.4 %</i>	<i>26.8 %</i>	<i>27.5 %</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>16.0 %</i>	<i>16.8 %</i>	<i>18.0 %</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>6.3 %</i>	<i>7.4 %</i>	<i>10.5 %</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>4.9 %</i>	<i>5.7 %</i>	<i>8.3 %</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

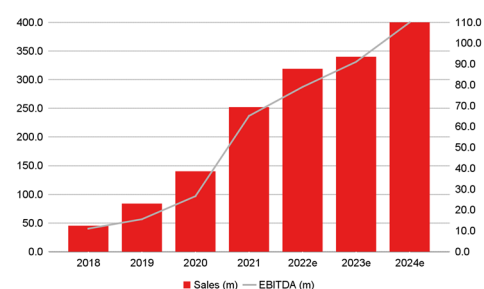
Guidance: FY 2022: EUR 315m-325m sales, EUR 83m-93m adj. EBITDA

Financial Ratios

	2018	2019	2020	2021	2022e	2023e	2024e
Total Operating Costs / Sales	84.8 %	93.6 %	92.5 %	83.3 %	83.1 %	82.1 %	80.0 %
Operating Leverage	n.a.	1.1 x	1.8 x	2.9 x	1.4 x	1.8 x	1.5 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 %

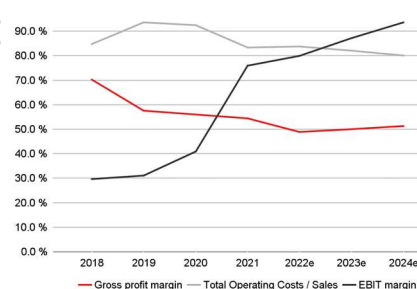
Sales, EBITDA

in EUR m

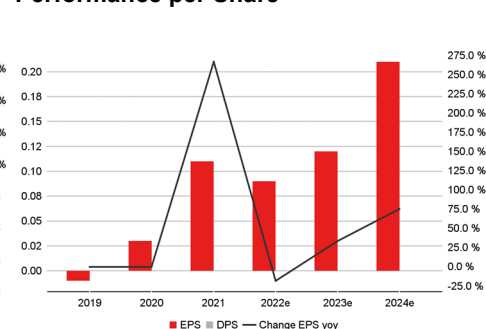


Operating Performance

in %



Performance per Share



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

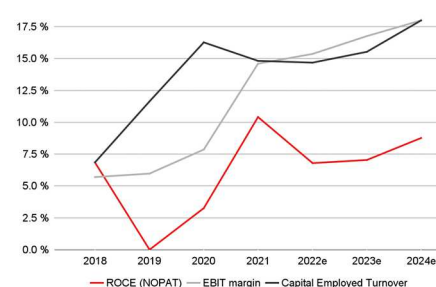
Consolidated balance sheet

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	122.4	121.1	131.5
Liquid assets	4.4	33.0	46.3	180.2	150.5	165.8	189.3
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	278.8	292.8	326.7
Total Assets	236.3	312.4	385.8	934.1	1,019.2	1,039.2	1,085.1
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	69.9	69.9	82.2
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	665.8	665.8	678.1
Total liabilities and shareholders' equity	236.3	312.4	385.8	934.1	1,019.2	1,039.2	1,085.1

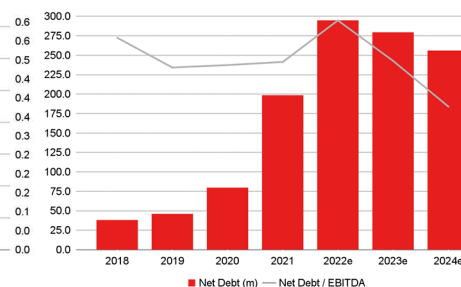
Financial Ratios

	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	6.8 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 %	7.0 %	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	293.2	277.9	254.4
Net Financial Debt	38.1	46.1	79.8	198.6	293.2	277.9	254.4
Net Gearing	24.0 %	27.3 %	45.1 %	64.6 %	83.0 %	74.4 %	62.5 %
Net Fin. Debt / EBITDA	345.0 %	296.4 %	300.4 %	305.3 %	362.0 %	305.4 %	231.3 %
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

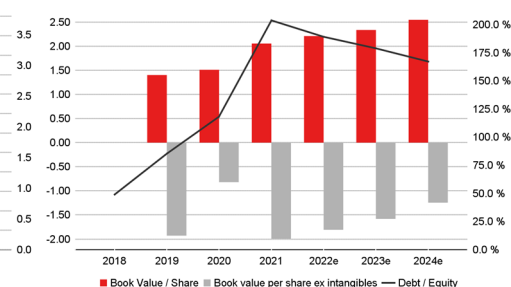
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

Consolidated cash flow statement

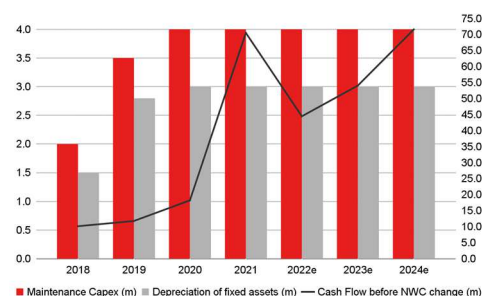
In EUR m	2018	2019	2020	2021	2022e	2023e	2024e
Net income	1.6	1.3	2.7	16.1	16.0	20.0	33.6
Depreciation of fixed assets	1.5	2.8	3.0	3.0	3.0	3.0	3.0
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	7.0	7.7	12.5	25.2	27.0	31.0	35.0
Increase/decrease in long-term provisions	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	-24.9	1.3	-10.4
Increase / decrease in accounts payable	0.0	12.2	9.8	23.7	16.1	0.0	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	-8.8	1.3	1.9
Net cash provided by operating activities [1]	10.1	17.0	25.2	64.8	37.2	55.3	73.5
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	-29.7	15.3	23.5
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	150.5	165.8	189.3

Financial Ratios

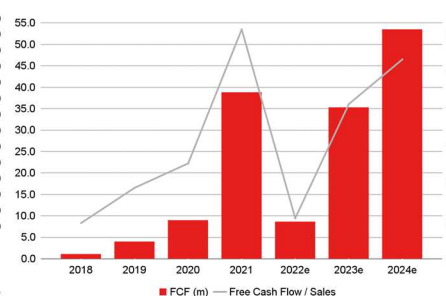
	2018	2019	2020	2021	2022e	2023e	2024e
Cash Flow							
FCF	1.1	4.0	9.0	38.8	10.2	35.3	53.5
Free Cash Flow / Sales	2.4 %	4.8 %	6.4 %	15.4 %	3.2 %	10.4 %	13.4 %
Free Cash Flow Potential	10.2	14.1	21.4	62.2	73.0	82.0	97.6
Free Cash Flow / Net Profit	69.8 %	-1237.5 %	293.5 %	241.3 %	66.1 %	181.0 %	161.6 %
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 %	8.5 %	5.9 %	5.0 %
Maint. Capex / Sales	4.4 %	4.2 %	2.9 %	1.6 %	1.3 %	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 %	15.1 %	15.3 %	12.6 %
Trade Debtors / Trade Creditors	128.8 %	84.1 %	123.2 %	181.4 %	175.1 %	173.2 %	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	134	128	133
Cash conversion cycle (Days)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

CAPEX and Cash Flow

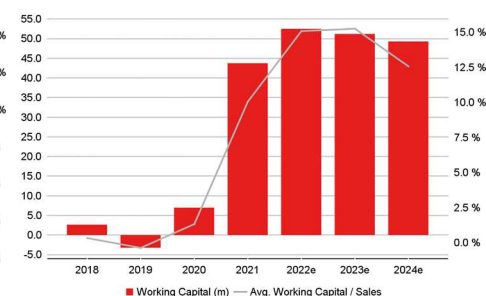
in EUR m



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

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

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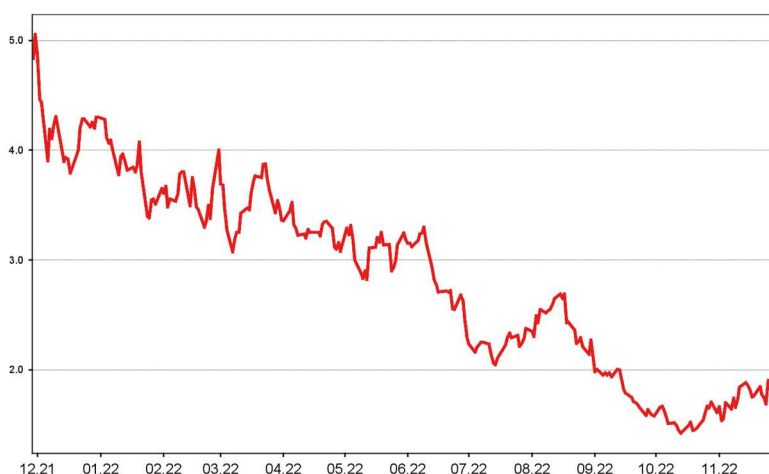
Rating	Number of stocks	% of Universe
Buy	163	76
Hold	42	20
Sell	6	3
Rating suspended	3	1
Total	214	100

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

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

Rating	Number of stocks	% of Universe
Buy	45	83
Hold	7	13
Sell	1	2
Rating suspended	1	2
Total	54	100

PRICE AND RATING HISTORY MEDIA AND GAMES INVEST SE AS OF 28.11.2022



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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