

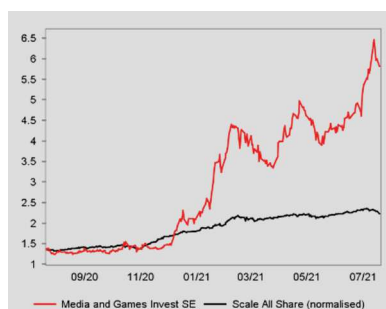
Buy EUR 8.90 (EUR 7.00) Price EUR 5.82 Upside 53.1 %	Value Indicators: EUR DCF: 8.90	Warburg ESG Risk Score: 2.0 ESG Score (MSCI based): 3.0 Balance Sheet Score: 2.0 Market Liquidity Score: 1.0	Description: MGI is engaged in the gaming as well as media and advertising market
	Market Snapshot: EUR m Market cap: 870.4 No. of shares (m): 149.7 EV: 1,027.7 Freefloat MC: 629.3 Ø Trad. Vol. (30d): 1.21 m	Shareholders: Freefloat 72.3 % Bodhivas (Remco Western.) 27.7 % Oaktree Capital Management 9.1 % Henderson Global Investors 5.5 %	Key Figures (WRe): 2021e Beta: 1.1 Price / Book: 2.8 x Equity Ratio: 40 % Net Fin. Debt / EBITDA: 2.5 x Net Debt / EBITDA: 2.5 x

Increasing price target due to the highly value-accretive Smaato acquisition

We update our model and increase our price target after last week's highly value-accretive acquisition:

- On July 13, Media and Games announced that it signed the acquisition of 99.9% of Smaato for an EV of EUR 140m equivalent to a multiple of 10.7 EV/adj. EBITDA based on 2021 guidance and 6.8 based on 2022 guidance. This is clearly an attractive multiple not only based on the multiple of US peers (even the cheapest peers trade at EV/EBITDA multiples in the high twenties), but also compared to the low- to mid-teens multiple that MGI itself was trading on before the recent capital increase.
- Smaato, based in San Francisco and Hamburg, operates a leading mobile first digital Advertising Technology Platform. Smaato offers its services to publishers on a software-as-a-service (SaaS) basis. Management expects revenues of EUR 39m in 2021, which represents app. 20% organic growth versus 2020, and is looking for adj. EBITDA of EUR 13m in 2021 (33% EBITDA margin).
- We see several potential drivers of synergies and growth. Firstly, with Smaato's reach of 1.3bn users, the combined reach is to grow substantially to 1.8bn to 2.0bn users, increasing critical mass. Furthermore, Smaato's software supports all major ad formats. This should particularly help win over larger publishers. Synergies arise from the integration of MGI's demand side platform and the leveraging of Verve's ATOM technology. In addition, there should be substantial cost synergies as Smaato's IT can benefit from MGI's very favourable outsourcing contracts (e.g. with AWS). Finally, both Verve and Smaato have substantial administrative functions in Hamburg, which should support smooth integration.
- We increase our earnings estimates to reflect the contribution from Smaato. In 2021 Smaato is to grow its sales by around 20% organically and, due to revenue synergies of more than 10pp, we are looking for an acceleration of organic growth to 31% in 2022.
- Due to the acquisition and the increasing scale, we increase our medium-term growth estimates by 1pp (i.e. 5.3% sales growth in the transition period). Taken together with the increase in our near-term earnings estimates, this leads to an increase in our DCF-based target price from EUR 7.0 to EUR 8.9. We reiterate our Buy recommendation.

Changes in Estimates:				Comment on Changes:			
FY End: 31.12. in EUR m	2021e (old)	+ / -	2022e (old)	+ / -	2023e (old)	+ / -	
Sales	220.0	6.8 %	250.0	20.4 %	280.0	23.2 %	<ul style="list-style-type: none"> We increase our 2021 estimates to EUR 235m sales and EUR 65.5m adj. EBITDA; i.e. at the low end of the new guidance. For 2022 we expect EUR 51m sales for Smaato (+31%) and EUR 21m adj. EBITDA (+61% vs. 2021e). Proportionately greater increase in our EPS estimates as, with its EUR 80m capital increase in May (SEK 900m at SEK 43, 20.9m shares), the company effectively financed the transaction in advance.
EBITDA adj.	61.0	7.4 %	71.0	29.6 %	80.0	37.5 %	
EBIT	34.5	8.7 %	42.0	40.5 %	49.5	60.6 %	
EPS	0.12	16.7 %	0.13	69.2 %	0.17	94.1 %	

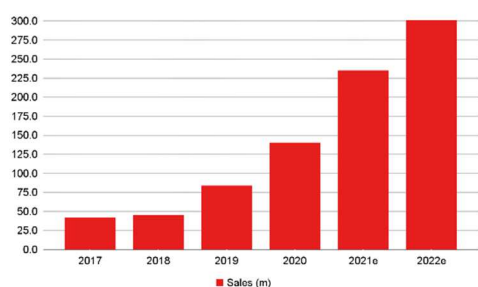


Rel. Performance vs Scale All	
1 month:	27.8 %
6 months:	60.7 %
Year to date:	153.1 %
Trailing 12 months:	247.5 %

Company events:
31.08.21 Q2

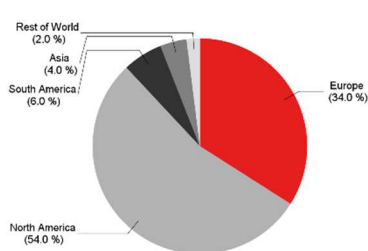
FY End: 31.12. in EUR m	CAGR (20-23e)	2017	2018	2019	2020	2021e	2022e	2023e
Sales	35.0 %	42.1	45.3	83.9	140.2	235.0	301.0	345.0
Change Sales yoy		8.0 %	7.6 %	85.2 %	67.1 %	67.6 %	28.1 %	14.6 %
EBITDA adj.		10.5	13.4	18.1	29.1	65.5	92.0	110.0
Margin	15.3 %	25.0 %	29.5 %	21.6 %	20.8 %	27.9 %	30.6 %	31.9 %
EBITDA		7.0	11.1	15.5	26.5	60.0	84.0	106.0
EBIT adj.	70.9 %	-3.4	2.6	10.5	17.5	46.9	70.9	87.4
Margin		-8.0 %	5.7 %	12.5 %	12.5 %	20.0 %	23.6 %	25.3 %
Net income	152.5 %	-5.0	1.5	-0.3	3.1	19.4	32.8	49.2
EPS	122.4 %	n.a.	n.a.	-0.01	0.03	0.14	0.22	0.33
EPS adj.	60.2 %	n.a.	n.a.	0.07	0.09	0.19	0.28	0.37
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	0.18	0.24	0.31
FCF / Market cap		n.a.	n.a.	5.4 %	7.0 %	2.9 %	4.1 %	5.3 %
EV / Sales		n.a.	n.a.	1.4 x	1.5 x	4.4 x	3.4 x	2.9 x
EV / EBITDA		n.a.	n.a.	7.8 x	7.9 x	17.1 x	12.3 x	9.3 x
EV / EBIT		n.a.	n.a.	24.1 x	18.9 x	27.4 x	17.5 x	12.4 x
P / E		n.a.	n.a.	n.a.	43.7 x	41.5 x	26.4 x	17.6 x
P / E adj.		n.a.	n.a.	16.6 x	14.6 x	30.6 x	20.8 x	15.7 x
FCF Potential Yield		n.a.	n.a.	11.7 %	10.2 %	5.0 %	6.9 %	9.1 %
Net Debt		26.1	38.1	46.1	79.8	152.3	158.8	112.5
ROCE (NOPAT)		n.a.	6.8 %	n.a.	3.3 %	8.4 %	9.8 %	12.6 %
Guidance:		FY 2021: EUR 234m-254m sales, EUR 65m-70m adj. EBITDA						

Sales development
in EUR m



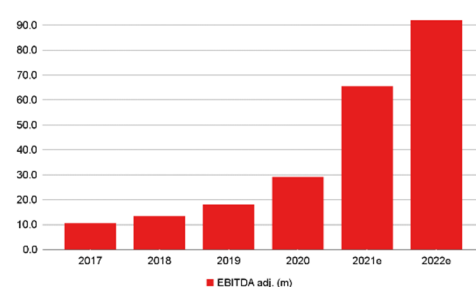
Source: Warburg Research

Revenues by regions
2020; in %



Source: Warburg Research

Adj. EBITDA development
in EUR m



Source: Warburg Research

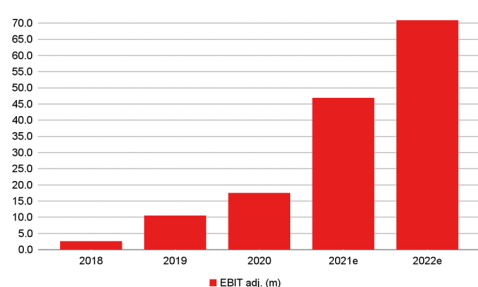
Company Background

- 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 main asset is gamigo, a games publisher with more than 30 well-established MMOGs and 5k+ casual games. MGI holds 99.9% of gamigo (fully consolidated)
- In May 2018, the Solidate real estate holding was renamed blockescence plc. It decided to divest the real estate business and acquire an initial 35.5% stake in gamigo.
- In June 2019, the company changed its name to Media and Games Invest, to underline its commitment to the gaming and advertising market...
- ... as it acquired another 13.8% stake of gamigo and 100% of the two programmatic ad-tech companies Applift and its subsidiary PubNative and has announced its intention to acquire further gamigo shares (now at 99.9%).

Competitive Quality

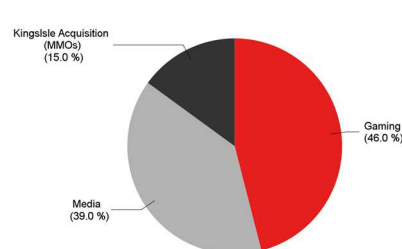
- MGI's gamigo has a relatively broad games portfolio with a focus on multiplayer games. The top-10 games account for roughly 37% of total revenues but no game accounts for more than 8%.
- Revenues are generated with loyal customers. The majority of games generate over 60% of revenues with users who have been playing the game for more than five years.
- MGI is acting as a successful consolidator in the gaming market by purchasing distressed assets (games and media) for low prices and leveraging the acquired user base with its existing infrastructure
- Successful deal history of more than 25 deals prove high quality of the management as well as deal execution ability
- Recently acquired programmatic advertising companies should benefit from existing media content from own games portfolio as well as high experience and rich data of user behaviour and monetisation potential.

adj. EBIT development
in EUR m



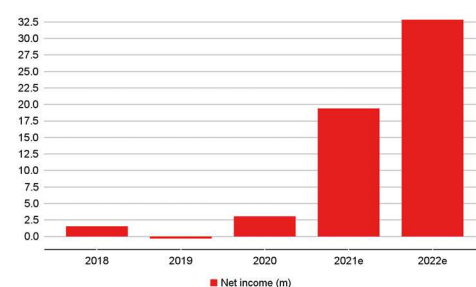
Source: Warburg Research

Sales by segments
2020 pro forma; 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
	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	
Sales	235.0	301.0	345.0	389.9	436.6	480.3	513.9	539.6	555.8	572.5	589.6	607.3	619.5	
Sales change	67.6 %	28.1 %	14.6 %	13.0 %	12.0 %	10.0 %	7.0 %	5.0 %	3.0 %	3.0 %	3.0 %	3.0 %	2.0 %	2.0 %
EBIT	37.5	59.0	79.5	70.2	78.6	86.5	92.5	102.5	111.2	114.5	117.9	121.5	123.9	
EBIT-margin	16.0 %	19.6 %	23.0 %	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	30.0	47.2	63.6	56.1	62.9	69.2	74.0	80.0	83.4	83.6	84.9	87.5	89.2	
Depreciation	22.5	25.0	26.5	46.8	52.4	57.6	56.5	59.4	55.6	57.2	59.0	60.7	61.9	
in % of Sales	9.6 %	8.3 %	7.7 %	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	-7.0	-4.2	-0.5	8.6	4.8	3.3	0.8	0.6	0.4	0.4	0.4	0.4	0.3	
- Capex	23.5	27.0	30.5	46.8	48.0	48.0	46.3	43.2	44.5	45.8	47.2	48.6	49.6	
Capex in % of Sales	10.0 %	9.0 %	8.8 %	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)	-175.3	-10.9	60.1	47.5	62.4	75.5	83.4	95.5	94.1	94.6	96.3	99.2	101.3	103
PV of FCF	-173.6	-10.1	52.1	38.5	47.3	53.5	55.4	59.3	54.6	51.4	48.9	47.1	45.0	937
share of PVs	-10.07 %			38.35 %										71.72 %

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
WACC	6.90 %	Beta	1.10

Valuation (m)

Present values 2033e	369		
Terminal Value	937		
Financial liabilities	126		
Pension liabilities	0		
Hybrid capital	0		
Minority interest	0		
Market val. of investments	0		
Liquidity	151	No. of shares (m)	149.7
Equity Value	1,332	Value per share (EUR)	8.90

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 %	6.52	6.68	6.86	7.05	7.25	7.48	7.72	1.34	7.9 %	6.45	6.65	6.85	7.05	7.25	7.44	7.64
1.22	7.4 %	7.23	7.43	7.65	7.89	8.15	8.43	8.75	1.22	7.4 %	7.23	7.45	7.67	7.89	8.10	8.32	8.54
1.16	7.2 %	7.63	7.85	8.10	8.37	8.66	8.99	9.35	1.16	7.2 %	7.68	7.91	8.14	8.37	8.59	8.82	9.05
1.10	6.9 %	8.07	8.32	8.59	8.90	9.23	9.61	10.03	1.10	6.9 %	8.18	8.42	8.66	8.90	9.14	9.38	9.62
1.04	6.7 %	8.54	8.83	9.14	9.49	9.87	10.30	10.79	1.04	6.7 %	8.73	8.98	9.23	9.49	9.74	9.99	10.25
0.98	6.4 %	9.07	9.39	9.75	10.14	10.59	11.09	11.66	0.98	6.4 %	9.34	9.61	9.88	10.14	10.41	10.68	10.95
0.86	5.9 %	10.29	10.71	11.18	11.71	12.31	13.01	13.81	0.86	5.9 %	10.80	11.11	11.41	11.71	12.01	12.32	12.62

- Our DCF approach is based on a detailed planning phase (20 -22), a transitional phase (23 -32), and a perpetuity term
- Long-term tax rate is assumed to be at 28%

Valuation	2017	2018	2019	2020	2021e	2022e	2023e
Price / Book	n.a.	n.a.	0.8 x	0.7 x	2.8 x	2.5 x	2.2 x
Book value per share ex intangibles	n.a.	n.a.	-1.93	-0.82	-1.45	-1.23	-0.92
EV / Sales	n.a.	n.a.	1.4 x	1.5 x	4.4 x	3.4 x	2.9 x
EV / EBITDA	n.a.	n.a.	7.8 x	7.9 x	17.1 x	12.3 x	9.3 x
EV / EBIT	n.a.	n.a.	24.1 x	18.9 x	27.4 x	17.5 x	12.4 x
EV / EBIT adj.*	n.a.	n.a.	11.5 x	11.9 x	21.9 x	14.5 x	11.3 x
P / FCF	n.a.	n.a.	18.7 x	14.4 x	34.0 x	24.5 x	18.8 x
P / E	n.a.	n.a.	n.a.	43.7 x	41.5 x	26.4 x	17.6 x
P / E adj.*	n.a.	n.a.	16.6 x	14.6 x	30.6 x	20.8 x	15.7 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 %	5.0 %	6.9 %	9.1 %

*Adjustments made for: -

Consolidated profit & loss

In EUR m	2017	2018	2019	2020	2021e	2022e	2023e
Sales	42.1	45.3	83.9	140.2	235.0	301.0	345.0
Change Sales yoy	8.0 %	7.6 %	85.2 %	67.1 %	67.6 %	28.1 %	14.6 %
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	20.5	23.0	25.0
Total Sales	45.7	49.5	94.1	156.2	255.5	324.0	370.0
Material expenses	16.2	17.6	45.8	77.6	113.0	144.0	148.0
Gross profit	29.4	31.8	48.3	78.6	142.5	180.0	222.0
<i>Gross profit margin</i>	<i>70.0 %</i>	<i>70.3 %</i>	<i>57.5 %</i>	<i>56.1 %</i>	<i>60.6 %</i>	<i>59.8 %</i>	<i>64.3 %</i>
Personnel expenses	13.9	14.7	27.4	39.6	56.0	64.0	75.0
Other operating income	2.4	6.7	4.6	6.3	4.0	4.0	4.0
Other operating expenses	10.9	12.7	10.0	18.7	30.5	36.0	45.0
EBITDA adj.	10.5	13.4	18.1	29.1	65.5	92.0	110.0
Margin	25.0 %	29.5 %	21.6 %	20.8 %	27.9 %	30.6 %	31.9 %
EBITDA	7.0	11.1	15.5	26.5	60.0	84.0	106.0
<i>Margin</i>	<i>16.7 %</i>	<i>24.4 %</i>	<i>18.5 %</i>	<i>18.9 %</i>	<i>25.5 %</i>	<i>27.9 %</i>	<i>30.7 %</i>
Depreciation of fixed assets	0.7	1.5	2.8	3.0	3.0	3.0	3.0
EBITA	6.3	9.6	12.7	23.5	57.0	81.0	103.0
Amortisation of intangible assets	9.7	7.0	7.7	12.5	19.5	22.0	23.5
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	-3.4	2.6	5.0	11.0	37.5	59.0	79.5
<i>Margin</i>	<i>-8.0 %</i>	<i>5.7 %</i>	<i>6.0 %</i>	<i>7.9 %</i>	<i>16.0 %</i>	<i>19.6 %</i>	<i>23.0 %</i>
EBIT adj.	-3.4	2.6	10.5	17.5	46.9	70.9	87.4
Interest income	0.0	0.0	0.1	0.4	0.0	0.0	0.0
Interest expenses	2.4	2.1	5.8	7.5	13.0	17.3	17.3
Other financial income (loss)	0.1	0.0	0.0	0.0	0.0	0.0	0.0
EBT	-5.7	0.5	-0.8	3.9	24.5	41.7	62.2
<i>Margin</i>	<i>-13.5 %</i>	<i>1.1 %</i>	<i>-0.9 %</i>	<i>2.8 %</i>	<i>10.4 %</i>	<i>13.8 %</i>	<i>18.0 %</i>
Total taxes	-0.7	-1.1	-2.0	1.2	4.9	8.3	12.4
Net income from continuing operations	-5.0	1.6	1.3	2.7	19.6	33.3	49.7
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	-5.0	1.6	1.3	2.7	19.6	33.3	49.7
Minority interest	0.0	0.1	1.6	-0.4	0.2	0.5	0.5
Net income	-5.0	1.5	-0.3	3.1	19.4	32.8	49.2
<i>Margin</i>	<i>-11.9 %</i>	<i>3.4 %</i>	<i>-0.4 %</i>	<i>2.2 %</i>	<i>8.3 %</i>	<i>10.9 %</i>	<i>14.3 %</i>
Number of shares, average	n.a.	n.a.	64.1	98.5	142.5	149.7	149.7
EPS	n.a.	n.a.	-0.01	0.03	0.14	0.22	0.33
EPS adj.	n.a.	n.a.	0.07	0.09	0.19	0.28	0.37

*Adjustments made for:

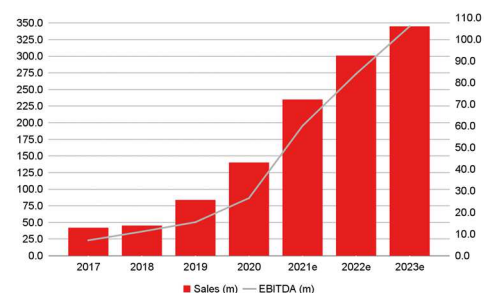
Guidance: FY 2021: EUR 234m-254m sales, EUR 65m-70m adj. EBITDA

Financial Ratios

	2017	2018	2019	2020	2021e	2022e	2023e
Total Operating Costs / Sales	91.8 %	84.8 %	93.6 %	92.5 %	83.2 %	79.7 %	76.5 %
Operating Leverage	-8.4 x	n.a.	1.1 x	1.8 x	3.5 x	2.0 x	2.4 x
EBITDA / Interest expenses	3.0 x	5.2 x	2.7 x	3.5 x	4.6 x	4.8 x	6.1 x
Tax rate (EBT)	11.9 %	-229.8 %	265.4 %	30.6 %	20.0 %	20.0 %	20.0 %
Dividend Payout Ratio	n.a.	n.a.	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %

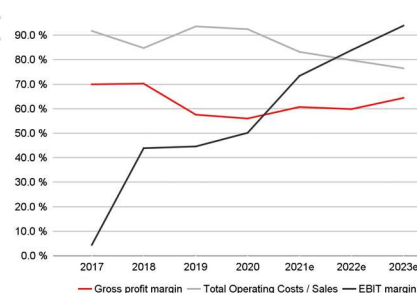
Sales, EBITDA

in EUR m

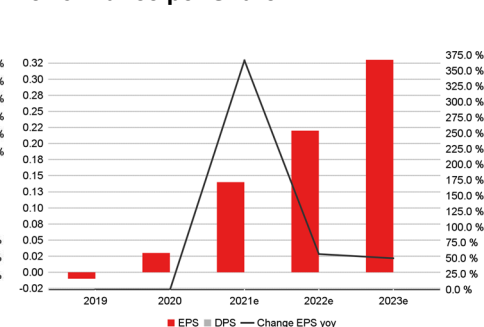


Operating Performance

in %



Performance per Share



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

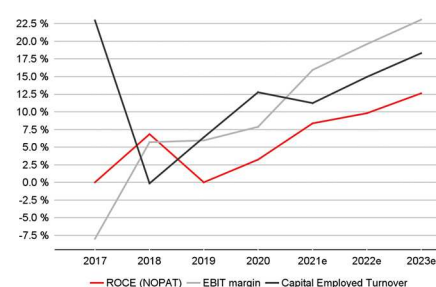
Consolidated balance sheet

In EUR m	2017	2018	2019	2020	2021e	2022e	2023e
Assets							
Goodwill and other intangible assets	47.5	204.1	233.2	272.8	526.7	527.7	530.2
thereof other intangible assets	16.7	66.7	73.7	85.4	143.9	144.9	147.4
thereof Goodwill	28.9	133.8	147.3	164.0	359.3	359.3	359.3
Property, plant and equipment	1.7	4.2	3.5	1.7	2.2	3.2	4.7
Financial assets	0.0	11.7	19.9	18.9	18.9	18.9	18.9
Other long-term assets	0.4	0.0	0.0	0.0	0.0	0.0	0.0
Fixed assets	49.5	220.0	256.6	293.5	547.8	549.8	553.8
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	51.5	61.8	70.9
Liquid assets	1.0	4.4	33.0	46.3	163.7	157.2	203.5
Other short-term assets	11.4	0.0	5.8	9.1	9.1	9.1	9.1
Current assets	17.3	16.3	55.9	92.4	224.3	228.1	283.5
Total Assets	66.8	236.3	312.4	385.8	772.1	777.9	837.3
Liabilities and shareholders' equity							
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	70.6	70.6	70.6
Retained earnings	-23.6	2.9	0.0	5.6	92.3	125.1	174.4
Other equity components	0.0	0.1	0.0	-3.2	-3.0	-2.6	-2.0
Shareholders' equity	26.8	67.2	98.1	176.8	309.6	342.8	392.7
Minority interest	-0.1	91.3	70.5	0.1	0.1	0.1	0.1
Total equity	26.7	158.5	168.6	176.8	309.7	342.9	392.7
Provisions	3.0	6.7	12.6	17.3	17.3	17.3	17.3
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	316.0	316.0	316.0
Short-term financial liabilities	7.0	3.6	6.7	6.1	6.1	6.1	6.1
Accounts payable	7.2	9.2	20.3	30.0	51.5	66.0	75.6
Other liabilities	2.7	19.3	31.9	35.7	77.7	35.7	35.7
Liabilities	40.1	77.8	143.8	209.0	462.5	435.0	444.6
Total liabilities and shareholders' equity	66.8	236.3	312.4	385.8	772.1	777.9	837.3

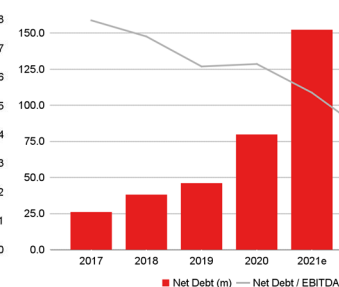
Financial Ratios

	2017	2018	2019	2020	2021e	2022e	2023e
Efficiency of Capital Employment							
Operating Assets Turnover	-65.8 x	6.6 x	285.4 x	16.1 x	104.8 x	-314.2 x	8214.3 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 %	3.5 %	6.0 %	8.9 %
Return on Capital							
ROCE (NOPAT)	n.a.	6.8 %	n.a.	3.3 %	8.4 %	9.8 %	12.6 %
ROE	-17.0 %	3.3 %	-0.4 %	2.2 %	8.0 %	10.1 %	13.4 %
Adj. ROE	-17.0 %	3.3 %	5.3 %	6.4 %	11.2 %	13.0 %	15.2 %
Balance sheet quality							
Net Debt	26.1	38.1	46.1	79.8	152.3	158.8	112.5
Net Financial Debt	26.1	38.1	46.1	79.8	152.3	158.8	112.5
Net Gearing	97.6 %	24.0 %	27.3 %	45.1 %	49.2 %	46.3 %	28.7 %
Net Fin. Debt / EBITDA	370.8 %	345.0 %	296.4 %	300.4 %	253.8 %	189.0 %	106.2 %
Book Value / Share	n.a.	n.a.	1.4	1.5	2.1	2.3	2.6
Book value per share ex intangibles	n.a.	n.a.	-1.9	-0.8	-1.5	-1.2	-0.9

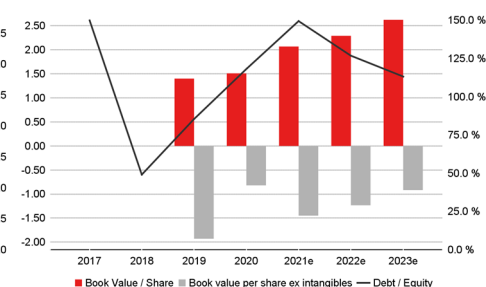
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

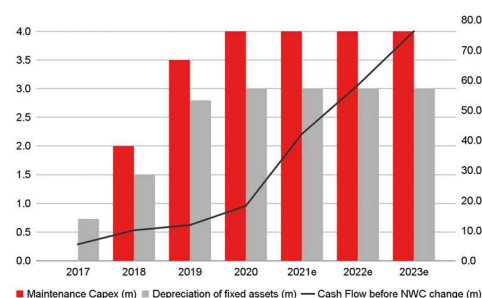
Consolidated cash flow statement

In EUR m	2017	2018	2019	2020	2021e	2022e	2023e
Net income	-5.0	1.6	1.3	2.7	19.6	33.3	49.7
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	19.5	22.0	23.5
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	0.0	0.0	0.0
Cash Flow before NWC change	5.4	10.1	11.8	18.2	42.1	58.3	76.2
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	-14.5	-10.3	-9.1
Increase / decrease in accounts payable	0.0	0.0	12.2	9.8	21.5	14.5	9.6
Increase / decrease in other working capital positions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase / decrease in working capital (total)	0.0	0.0	5.2	7.0	7.0	4.2	0.5
Net cash provided by operating activities [1]	5.4	10.1	17.0	25.2	49.1	62.5	76.7
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	-3.5	-4.0	-4.5
Payments for acquisitions	0.0	0.0	0.0	-21.5	-211.3	-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
Net cash provided by investing activities [2]	0.0	-9.0	-13.0	-37.7	-234.8	-69.0	-30.5
Change in financial liabilities	0.0	0.0	16.4	-2.7	190.0	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	0.0	0.0	0.0
Net cash provided by financing activities [3]	0.0	0.0	25.4	25.8	303.2	0.0	0.0
Change in liquid funds [1]+[2]+[3]	5.4	1.1	29.4	13.3	117.5	-6.5	46.2
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	8.2	2.1	33.8	46.3	163.7	157.2	203.5

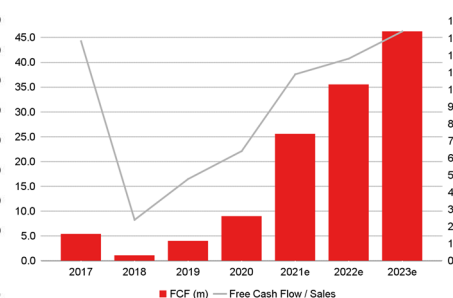
Financial Ratios

	2017	2018	2019	2020	2021e	2022e	2023e
Cash Flow							
FCF	5.4	1.1	4.0	9.0	25.6	35.5	46.2
Free Cash Flow / Sales	12.8 %	2.4 %	4.8 %	6.4 %	10.9 %	11.8 %	13.4 %
Free Cash Flow Potential	7.7	10.2	14.1	21.4	51.1	71.7	89.6
Free Cash Flow / Net Profit	-108.1 %	69.8 %	-1237.5 %	293.5 %	131.8 %	108.2 %	93.9 %
Interest Received / Avg. Cash	0.1 %	0.5 %	0.4 %	0.9 %	0.0 %	0.0 %	0.0 %
Interest Paid / Avg. Debt	8.7 %	6.1 %	9.6 %	7.3 %	5.9 %	5.5 %	5.5 %
Management of Funds							
Investment ratio	0.0 %	19.9 %	15.5 %	11.6 %	10.0 %	9.0 %	8.8 %
Maint. Capex / Sales	0.0 %	4.4 %	4.2 %	2.9 %	1.7 %	1.3 %	1.2 %
Capex / Dep	0.0 %	106.3 %	123.3 %	104.5 %	104.4 %	108.0 %	115.1 %
Avg. Working Capital / Sales	-5.0 %	0.3 %	-0.3 %	1.3 %	1.5 %	-0.7 %	-1.3 %
Trade Debtors / Trade Creditors	67.7 %	128.8 %	84.1 %	123.2 %	100.0 %	93.6 %	93.8 %
Inventory Turnover	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Receivables collection period (days)	42	95	74	96	80	75	75
Payables payment period (days)	162	190	162	141	166	167	186
Cash conversion cycle (Days)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

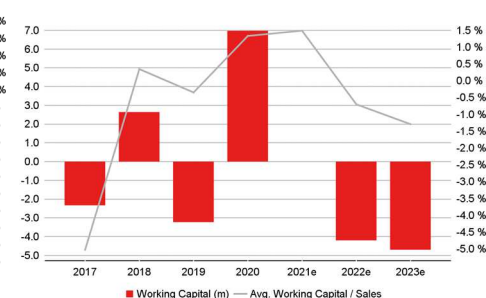
CAPEX and Cash Flow in EUR m



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.
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-S-	Sell:	The price of the analysed financial instrument is expected to fall over the next 12 months.
“-“	Rating suspended:	The available information currently does not permit an evaluation of the company.

WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING

Rating	Number of stocks	% of Universe
Buy	153	72
Hold	53	25
Sell	5	2
Rating suspended	2	1
Total	213	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	44	86
Hold	5	10
Sell	0	0
Rating suspended	2	4
Total	51	100

PRICE AND RATING HISTORY MEDIA AND GAMES INVEST SE AS OF 20.07.2021



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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