

Buy EUR 3.30 Price EUR 1.30 Upside 153.8 %	Value Indicators: EUR DCF: 3.30	Share data: Bloomberg: M8G GR Reuters: M8G.DE ISIN: MT0000580101	Description: MGI is engaged in the gaming as well as media and advertising market
	Market Snapshot: EUR m Market cap: 91.0 No. of shares (m): 70.0 EV: 176.9 Freefloat MC: 33.2 Ø Trad. Vol. (30d): 142.87 th	Shareholders: Freefloat 36.5 % Bodhivas (Remco Westernm.) 43.0 % F&F (Lock up until 02/22) 20.5 %	Risk Profile (WRe): 2020e Beta: 1.6 Price / Book: 0.7 x Equity Ratio: 49 % Net Fin. Debt / EBITDA: 3.8 x Net Debt / EBITDA: 3.8 x

First Glance: A promising deal

- Friday last week Media and Games announced the acquisition of freenet digital.
- freenet digital GmbH was founded in 2000 and bundles the digital mobile entertainment offerings of freenet AG. It distributes over 1,500 mobile games via its own platforms, as well as other products in the digital entertainment sector. In addition MGI and freenet will form a strategic partnership.
- Currently mobile games are only a miniscule part of MGI's portfolio; with this acquisition the share of mobile games should reach 10% in Q4 2020. As mobile is the fastest growing part in the gaming industry this is strategically a very positive step. On an annual basis, management expects the acquisition to generate additional revenues of EUR 13-15 million and EBITDA of EUR 2-3 million for MGI, plus additional revenues and earnings from the media cooperation are expected. As the closing of the transaction is planned for end of September 2020, 2021 will be the first full year for the acquired business. As acquisitions have always been part of the strategy we have already included some contribution from acquisitions. In light of at least EUR 13m from the freenet acquisition and another EUR 5m contribution from the platform 161 acquisition the EUR 22m sales growth we forecast for 2020 is very visible.
- In addition to the strategic rationale, the purchase price in the upper single digit EURm looks also very attractive, as this translates into an EV/EBITDA multiple of less than 4 (at midpoint of earnings guidance). Thus the transaction should be clearly earnings accretive in 2021. We therefore confirm our Buy rating and EUR 3.3 fair value."

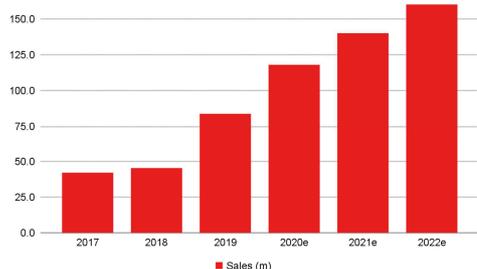


Rel. Performance vs Scale All	
1 month:	-1.9 %
6 months:	18.5 %
Year to date:	11.6 %
Trailing 12 months:	-0.2 %

Company events:
30.09.20 Q2

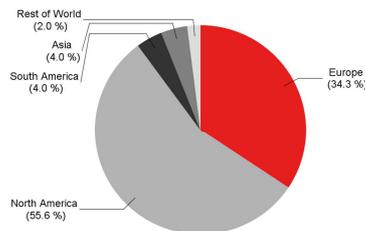
FY End: 31.12. in EUR m	CAGR (19-22e)	2016	2017	2018	2019	2020e	2021e	2022e
Sales	24.0 %	39.0	42.1	45.3	83.9	118.0	140.0	160.0
Change Sales yoy		n.a.	8.0 %	7.6 %	85.2 %	40.7 %	18.6 %	14.3 %
Gross profit margin		61.1 %	70.0 %	70.3 %	71.8 %	70.8 %	69.3 %	69.1 %
EBITDA	28.5 %	2.6	7.0	11.1	15.5	21.5	28.5	33.0
Margin		6.8 %	16.7 %	24.4 %	18.5 %	18.2 %	20.4 %	20.6 %
EBIT	44.2 %	-10.1	-3.4	2.6	5.0	8.0	12.5	15.0
Margin		-25.9 %	-8.0 %	5.7 %	6.0 %	6.8 %	8.9 %	9.4 %
Net income	-	-9.1	-5.0	1.5	-0.3	0.9	4.5	5.2
EPS	-	n.a.	n.a.	n.a.	-0.01	0.01	0.05	0.06
EPS adj.	-	n.a.	n.a.	n.a.	-0.01	0.01	0.05	0.06
DPS	-	n.a.	n.a.	n.a.	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.	n.a.	0.05	0.01	0.03	0.07
FCF / Market cap		n.a.	n.a.	n.a.	4.3 %	0.5 %	2.3 %	5.0 %
EV / Sales		n.a.	n.a.	n.a.	2.8 x	1.7 x	1.4 x	1.2 x
EV / EBITDA		n.a.	n.a.	n.a.	14.9 x	9.3 x	7.0 x	5.9 x
EV / EBIT		n.a.	n.a.	n.a.	46.2 x	25.1 x	16.0 x	12.9 x
P / E		n.a.	n.a.	n.a.	n.a.	130.0 x	26.0 x	21.7 x
P / E adj.		n.a.	n.a.	n.a.	n.a.	130.0 x	26.0 x	21.7 x
FCF Potential Yield		n.a.	n.a.	n.a.	6.1 %	8.7 %	12.0 %	14.6 %
Net Debt		24.3	26.1	38.1	56.4	80.8	78.0	72.0
ROCE (NOPAT)		n.a.	n.a.	6.8 %	n.a.	3.2 %	4.5 %	5.4 %
Guidance:		EUR 115m to EUR 125m sales and EBITDA of EUR 20m to EUR 23m						

Sales development in EUR m



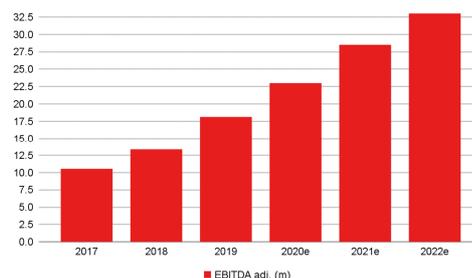
Source: Warburg Research

Revenues by regions Q2 2020; in %



Source: Warburg Research

Adj. EBITDA development in EUR m



Source: Warburg Research

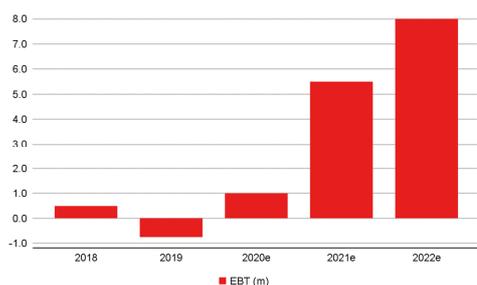
Company Background

- 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

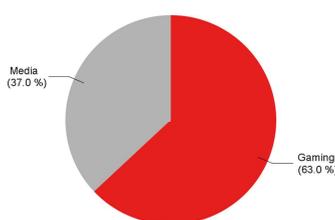
- MGI's gamigo has a relatively broad games portfolio with a focus on multiplayer games. The top-10 games account for roughly 37% of total revenues but no game accounts for more than 8%.
- Revenues are generated with loyal customers. The majority of games generate over 60% of revenues with users who 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.

EBT development in EUR m



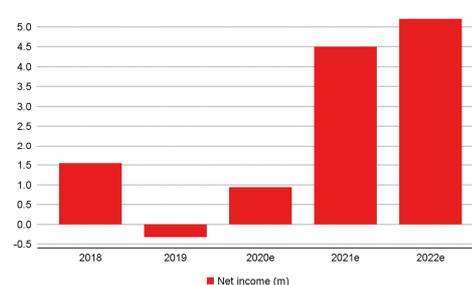
Source: Warburg Research

Sales by segments Q2 2020; 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
	2020e	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	
Sales	118.0	140.0	160.0	179.2	197.1	212.9	225.7	234.7	239.4	244.2	249.1	254.0	259.1	
Sales change	40.7 %	18.6 %	14.3 %	12.0 %	10.0 %	8.0 %	6.0 %	4.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %
EBIT	8.0	12.5	15.0	18.8	21.7	29.8	36.1	42.2	47.9	48.8	49.8	50.8	51.8	
EBIT-margin	6.8 %	8.9 %	9.4 %	10.5 %	11.0 %	14.0 %	16.0 %	18.0 %	20.0 %	20.0 %	20.0 %	20.0 %	20.0 %	
Tax rate (EBT)	5.0 %	9.1 %	10.0 %	12.0 %	13.0 %	15.0 %	18.0 %	22.0 %	25.0 %	27.0 %	28.0 %	28.0 %	28.0 %	
NOPAT	7.6	11.4	13.5	16.6	18.9	25.3	29.6	33.0	35.9	35.6	35.9	36.6	37.3	
Depreciation	13.5	16.0	18.0	21.5	23.7	23.4	22.6	21.1	19.2	19.5	19.9	20.3	20.7	
in % of Sales	11.4 %	11.4 %	11.3 %	12.0 %	12.0 %	11.0 %	10.0 %	9.0 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	
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	-4.1	0.2	0.2	1.1	1.3	1.4	0.3	0.2	0.1	0.1	0.1	0.1	0.1	
- Capex	18.0	18.0	19.0	21.5	21.7	21.3	20.3	18.8	19.2	19.5	19.9	20.3	20.7	
Capex in % of Sales	15.3 %	12.9 %	11.9 %	12.0 %	11.0 %	10.0 %	9.0 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	
Other	15.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Free Cash Flow (WACC Model)	-7.8	9.2	12.3	15.5	19.6	26.1	31.5	35.1	35.8	35.5	35.7	36.5	37.2	38
PV of FCF	-7.6	8.2	10.1	11.7	13.6	16.7	18.7	19.1	18.0	16.4	15.2	14.3	13.5	210
share of PVs	2.82 %			41.57 %										55.61 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	30.00 %	Financial Strength	1.50
Cost of debt (after tax)	4.9 %	Liquidity (share)	1.80
Market return	7.00 %	Cyclicality	1.20
Risk free rate	1.50 %	Transparency	1.30
		Others	2.00
WACC	8.53 %	Beta	1.56

Valuation (m)

Present values 2032e	168		
Terminal Value	210		
Financial liabilities	104		
Pension liabilities	0		
Hybrid capital	0		
Minority interest	4		
Market val. of investments	0		
Liquidity	33	No. of shares (m)	92.0
Equity Value	304	Value per share (EUR)	3.30

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
1.82	9.5 %	2.50	2.55	2.60	2.66	2.72	2.78	2.85	1.82	9.5 %	2.33	2.44	2.55	2.66	2.77	2.88	2.99
1.69	9.0 %	2.76	2.82	2.89	2.96	3.03	3.11	3.20	1.69	9.0 %	2.60	2.72	2.84	2.96	3.07	3.19	3.31
1.62	8.8 %	2.91	2.97	3.04	3.12	3.20	3.29	3.39	1.62	8.8 %	2.75	2.87	3.00	3.12	3.24	3.37	3.49
1.56	8.5 %	3.06	3.14	3.21	3.30	3.39	3.49	3.60	1.56	8.5 %	2.92	3.04	3.17	3.30	3.43	3.55	3.68
1.50	8.3 %	3.23	3.31	3.40	3.49	3.59	3.70	3.82	1.50	8.3 %	3.09	3.23	3.36	3.49	3.62	3.76	3.89
1.43	8.0 %	3.41	3.50	3.60	3.70	3.81	3.94	4.07	1.43	8.0 %	3.29	3.42	3.56	3.70	3.84	3.98	4.11
1.30	7.5 %	3.81	3.92	4.04	4.18	4.32	4.48	4.65	1.30	7.5 %	3.73	3.88	4.03	4.18	4.33	4.48	4.63

- Our DCF approach is based on a detailed planning phase (20 -22), a transitional phase (23 -32), and a perpetuity term
- 92m shares include dilutive effects from recent acquisitions (Applift+gamigo), unlike the 70m, which are used for the MC
- Long-term tax rate is assumed to be at 28%

Valuation	2016	2017	2018	2019	2020e	2021e	2022e
Price / Book	n.a.	n.a.	n.a.	0.8 x	0.7 x	0.7 x	0.7 x
Book value per share ex intangibles	n.a.	n.a.	n.a.	-1.93	-0.84	-0.76	-0.70
EV / Sales	n.a.	n.a.	n.a.	2.8 x	1.7 x	1.4 x	1.2 x
EV / EBITDA	n.a.	n.a.	n.a.	14.9 x	9.3 x	7.0 x	5.9 x
EV / EBIT	n.a.	n.a.	n.a.	46.2 x	25.1 x	16.0 x	12.9 x
EV / EBIT adj.*	n.a.	n.a.	n.a.	46.2 x	25.1 x	16.0 x	12.9 x
P / FCF	n.a.	n.a.	n.a.	23.3 x	219.7 x	42.7 x	19.9 x
P / E	n.a.	n.a.	n.a.	n.a.	130.0 x	26.0 x	21.7 x
P / E adj.*	n.a.	n.a.	n.a.	n.a.	130.0 x	26.0 x	21.7 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.	n.a.	6.1 %	8.7 %	12.0 %	14.6 %

*Adjustments made for: -

Consolidated profit & loss

In EUR m	2016	2017	2018	2019	2020e	2021e	2022e
Sales	39.0	42.1	45.3	83.9	118.0	140.0	160.0
Change Sales yoy	n.a.	8.0 %	7.6 %	85.2 %	40.7 %	18.6 %	14.3 %
Increase / decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Own work capitalised	2.2	3.6	4.2	10.2	10.5	11.0	12.0
Total Sales	41.1	45.7	49.5	94.1	128.5	151.0	172.0
Material expenses	17.3	16.2	17.6	33.8	45.0	54.0	61.5
Gross profit	23.8	29.4	31.8	60.3	83.5	97.0	110.5
<i>Gross profit margin</i>	<i>61.1 %</i>	<i>70.0 %</i>	<i>70.3 %</i>	<i>71.8 %</i>	<i>70.8 %</i>	<i>69.3 %</i>	<i>69.1 %</i>
Personnel expenses	10.5	13.9	14.7	27.4	41.0	44.0	50.0
Other operating income	0.6	2.4	6.7	4.6	4.0	4.0	4.0
Other operating expenses	11.3	10.9	12.7	22.0	25.0	28.5	31.5
Unfrequent items	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITDA	2.6	7.0	11.1	15.5	21.5	28.5	33.0
<i>Margin</i>	<i>6.8 %</i>	<i>16.7 %</i>	<i>24.4 %</i>	<i>18.5 %</i>	<i>18.2 %</i>	<i>20.4 %</i>	<i>20.6 %</i>
Depreciation of fixed assets	1.1	0.7	1.5	2.0	2.0	2.5	3.0
EBITA	1.6	6.3	9.6	13.5	19.5	26.0	30.0
Amortisation of intangible assets	11.7	9.7	7.0	8.5	11.5	13.5	15.0
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	-10.1	-3.4	2.6	5.0	8.0	12.5	15.0
<i>Margin</i>	<i>-25.9 %</i>	<i>-8.0 %</i>	<i>5.7 %</i>	<i>6.0 %</i>	<i>6.8 %</i>	<i>8.9 %</i>	<i>9.4 %</i>
EBIT adj.	-10.1	-3.4	2.6	5.0	8.0	12.5	15.0
Interest income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest expenses	1.9	2.4	2.1	5.8	7.0	7.0	7.0
Other financial income (loss)	0.0	0.1	0.0	0.0	0.0	0.0	0.0
EBT	-12.0	-5.7	0.5	-0.8	1.0	5.5	8.0
<i>Margin</i>	<i>-30.8 %</i>	<i>-13.5 %</i>	<i>1.1 %</i>	<i>-0.9 %</i>	<i>0.8 %</i>	<i>3.9 %</i>	<i>5.0 %</i>
Total taxes	-2.9	-0.7	-1.1	-2.0	0.1	0.5	0.8
Net income from continuing operations	-9.1	-5.0	1.6	1.3	1.0	5.0	7.2
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	-9.1	-5.0	1.6	1.3	1.0	5.0	7.2
Minority interest	0.0	0.0	0.1	1.6	0.0	0.5	2.0
Net income	-9.1	-5.0	1.5	-0.3	0.9	4.5	5.2
<i>Margin</i>	<i>-23.4 %</i>	<i>-11.9 %</i>	<i>3.4 %</i>	<i>-0.4 %</i>	<i>0.8 %</i>	<i>3.2 %</i>	<i>3.3 %</i>
Number of shares, average	n.a.	n.a.	n.a.	64.1	88.2	92.0	92.0
EPS	n.a.	n.a.	n.a.	-0.01	0.01	0.05	0.06
EPS adj.	n.a.	n.a.	n.a.	-0.01	0.01	0.05	0.06

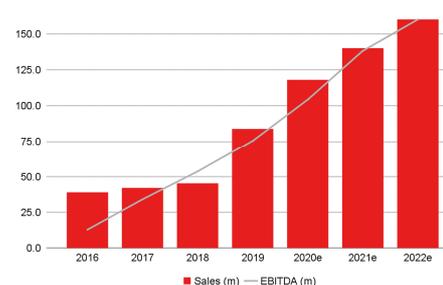
*Adjustments made for:

Guidance: EUR 115m to EUR 125m sales and EBITDA of EUR 20m to EUR 23m

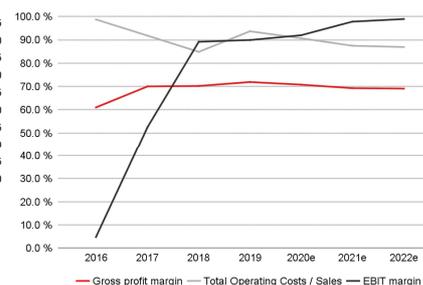
Financial Ratios

	2016	2017	2018	2019	2020e	2021e	2022e
Total Operating Costs / Sales	98.8 %	91.8 %	84.8 %	93.6 %	90.7 %	87.5 %	86.9 %
Operating Leverage	n.a.	-8.4 x	n.a.	1.1 x	1.5 x	3.0 x	1.4 x
EBITDA / Interest expenses	1.4 x	3.0 x	5.2 x	2.7 x	3.1 x	4.1 x	4.7 x
Tax rate (EBT)	24.3 %	11.9 %	-229.8 %	265.4 %	5.0 %	9.1 %	10.0 %
Dividend Payout Ratio	n.a.	n.a.	n.a.	0.0 %	0.0 %	0.0 %	0.0 %
Sales per Employee	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

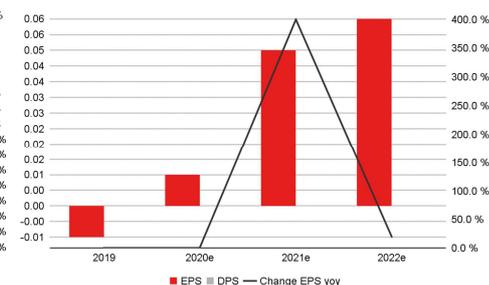
Sales, EBITDA
in EUR m



Operating Performance
in %



Performance per Share



Source: Warburg Research

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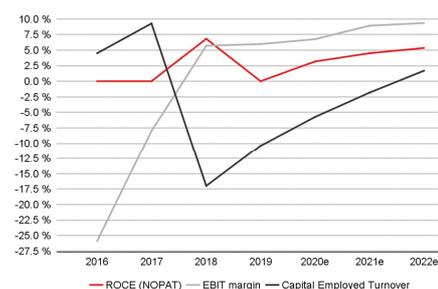
Consolidated balance sheet

In EUR m	2016	2017	2018	2019	2020e	2021e	2022e
Assets							
Goodwill and other intangible assets	51.1	47.5	204.1	233.2	241.7	243.2	244.2
thereof other intangible assets	22.0	16.7	66.7	85.9	89.4	90.9	91.9
thereof Goodwill	28.9	28.9	133.8	147.3	152.3	152.3	152.3
Property, plant and equipment	2.3	1.7	4.2	3.5	4.5	5.0	5.0
Financial assets	0.0	0.0	11.7	19.9	24.4	24.4	24.4
Other long-term assets	1.6	0.4	0.0	0.0	0.0	0.0	0.0
Fixed assets	55.1	49.5	220.0	256.6	270.6	272.6	273.6
Inventories	0.0	0.0	0.0	0.8	1.2	1.4	1.6
Accounts receivable	4.9	4.9	11.8	22.9	48.5	57.5	65.8
Liquid assets	2.8	1.0	4.4	33.0	19.2	32.0	38.0
Other short-term assets	10.1	11.4	0.0	-0.8	6.4	6.4	6.4
Current assets	17.8	17.3	16.3	55.9	75.2	97.2	111.7
Total Assets	72.9	66.8	236.3	312.4	345.8	369.8	385.3
Liabilities and shareholders' equity							
Subscribed capital	2.3	2.3	59.9	98.1	92.0	92.0	92.0
Capital reserve	48.2	48.2	4.3	0.0	75.0	75.0	75.0
Retained earnings	-18.6	-23.6	2.9	0.0	0.9	5.4	10.6
Other equity components	0.0	0.0	0.1	0.0	0.0	0.5	2.5
Shareholders' equity	31.9	26.8	67.2	98.1	167.9	172.9	180.1
Minority interest	0.0	-0.1	91.3	70.5	0.5	0.5	0.5
Total equity	31.9	26.7	158.5	168.6	168.4	173.4	180.6
Provisions	4.3	3.0	6.7	0.0	0.0	0.0	0.0
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	27.1	42.6	89.3	100.0	110.0	110.0
thereof short-term financial liabilities	0.9	7.0	3.6	3.5	3.5	3.5	3.5
Accounts payable	6.8	7.2	9.2	18.4	48.5	57.5	65.8
Other liabilities	2.7	2.7	19.3	36.1	28.9	28.9	28.9
Liabilities	41.0	40.1	77.8	143.9	177.4	196.4	204.7
Total liabilities and shareholders' equity	72.9	66.8	236.3	312.4	345.8	369.8	385.3

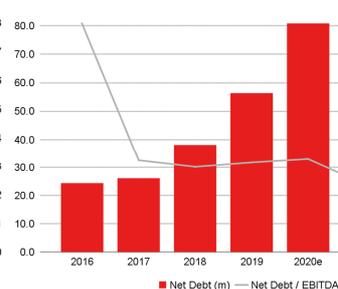
Financial Ratios

	2016	2017	2018	2019	2020e	2021e	2022e
Efficiency of Capital Employment							
Operating Assets Turnover	90.0 x	-65.8 x	6.6 x	9.5 x	20.6 x	21.8 x	24.2 x
Capital Employed Turnover	0.7 x	0.8 x	0.2 x	0.4 x	0.5 x	0.6 x	0.6 x
ROA	-16.6 %	-10.1 %	0.7 %	-0.1 %	0.3 %	1.7 %	1.9 %
Return on Capital							
ROCE (NOPAT)	n.a.	n.a.	6.8 %	n.a.	3.2 %	4.5 %	5.4 %
ROE	-57.2 %	-17.0 %	3.3 %	-0.4 %	0.7 %	2.6 %	2.9 %
Adj. ROE	-57.2 %	-17.0 %	3.3 %	-0.4 %	0.7 %	2.6 %	2.9 %
Balance sheet quality							
Net Debt	24.3	26.1	38.1	56.4	80.8	78.0	72.0
Net Financial Debt	24.3	26.1	38.1	56.4	80.8	78.0	72.0
Net Gearing	76.3 %	97.6 %	24.0 %	33.4 %	48.0 %	45.0 %	39.9 %
Net Fin. Debt / EBITDA	923.9 %	370.8 %	345.0 %	362.6 %	376.0 %	273.8 %	218.3 %
Book Value / Share	n.a.	n.a.	n.a.	1.4	1.9	1.9	2.0
Book value per share ex intangibles	n.a.	n.a.	n.a.	-1.9	-0.8	-0.8	-0.7

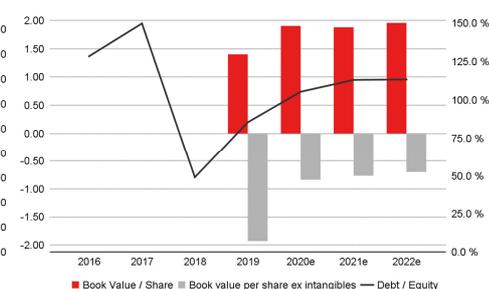
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

Consolidated cash flow statement

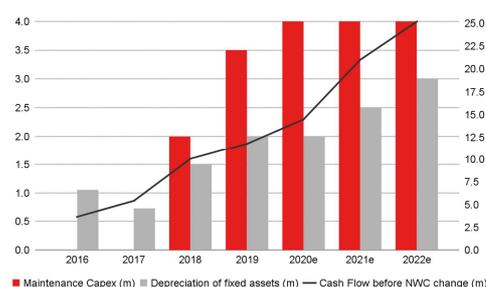
In EUR m	2016	2017	2018	2019	2020e	2021e	2022e
Net income	-9.1	-5.0	1.6	1.3	1.0	5.0	7.2
Depreciation of fixed assets	1.1	0.7	1.5	2.0	2.0	2.5	3.0
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	11.7	9.7	7.0	8.5	11.5	13.5	15.0
Increase/decrease in long-term provisions	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	0.0	0.0	0.0
Cash Flow before NWC change	3.7	5.4	10.1	11.8	14.5	21.0	25.2
Increase / decrease in inventory	0.0	0.0	0.0	-0.8	-0.4	-0.2	-0.2
Increase / decrease in accounts receivable	0.0	0.0	0.0	-7.0	-25.6	-9.0	-8.3
Increase / decrease in accounts payable	0.0	0.0	0.0	12.2	30.1	9.0	8.3
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	0.0	4.4	4.1	-0.2	-0.2
Net cash provided by operating activities [1]	3.7	5.4	10.1	16.2	18.5	20.8	25.0
Investments in intangible assets	0.0	0.0	0.0	-11.0	-15.0	-15.0	-16.0
Investments in property, plant and equipment	0.0	0.0	-9.0	-2.0	-3.0	-3.0	-3.0
Payments for acquisitions	0.0	0.0	0.0	0.0	-15.0	0.0	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	0.0	-9.0	-13.0	-33.0	-18.0	-19.0
Change in financial liabilities	0.0	0.0	0.0	16.4	10.7	10.0	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	0.0	9.0	0.0	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	0.0	25.4	10.7	10.0	0.0
Change in liquid funds [1]+[2]+[3]	3.7	5.4	1.1	28.6	-3.8	12.8	6.0
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	3.7	8.2	2.1	33.0	29.2	32.0	38.0

Financial Ratios

	2016	2017	2018	2019	2020e	2021e	2022e
Cash Flow							
FCF	3.7	5.4	1.1	3.2	0.5	2.8	6.0
Free Cash Flow / Sales	9.4 %	12.8 %	2.4 %	3.8 %	0.4 %	2.0 %	3.8 %
Free Cash Flow Potential	5.5	7.7	10.2	14.1	17.5	24.0	28.2
Free Cash Flow / Net Profit	-40.0 %	-108.1 %	69.8 %	-989.8 %	55.5 %	62.2 %	115.4 %
Interest Received / Avg. Cash	1.6 %	0.1 %	0.5 %	0.0 %	0.0 %	0.0 %	0.0 %
Interest Paid / Avg. Debt	14.1 %	8.7 %	6.1 %	8.7 %	7.4 %	6.7 %	6.4 %
Management of Funds							
Investment ratio	0.0 %	0.0 %	19.9 %	15.5 %	15.3 %	12.9 %	11.9 %
Maint. Capex / Sales	0.0 %	0.0 %	4.4 %	4.2 %	3.4 %	2.9 %	2.5 %
Capex / Dep	0.0 %	0.0 %	106.3 %	123.3 %	133.3 %	112.5 %	105.6 %
Avg. Working Capital / Sales	-2.4 %	-5.0 %	0.3 %	4.7 %	2.7 %	0.9 %	0.9 %
Trade Debtors / Trade Creditors	72.0 %	67.7 %	128.8 %	124.3 %	100.0 %	100.0 %	100.0 %
Inventory Turnover	n.a.	n.a.	n.a.	42.3 x	37.5 x	38.6 x	38.4 x
Receivables collection period (days)	46	42	95	100	150	150	150
Payables payment period (days)	143	162	190	199	393	389	391
Cash conversion cycle (Days)	n.a.	n.a.	n.a.	-90	-234	-229	-231

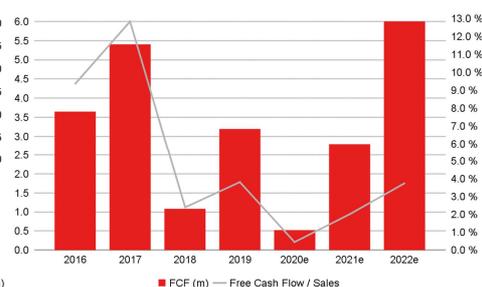
CAPEX and Cash Flow

in EUR m



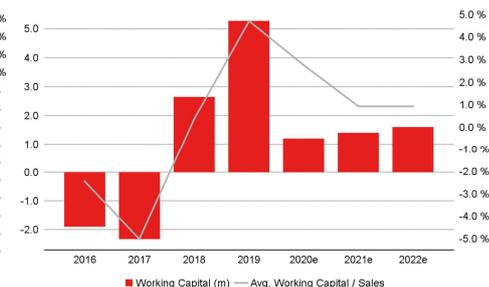
Source: Warburg Research

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.
-H-	Hold:	The price of the analysed financial instrument is expected to remain mostly flat over the next 12 months.
-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.

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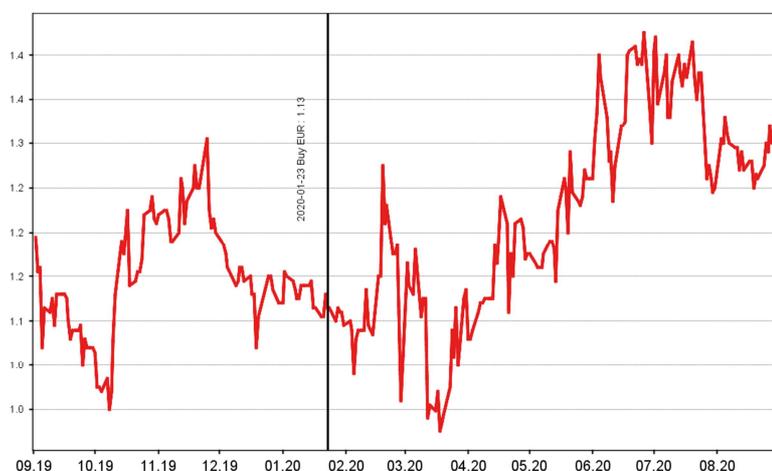
Rating	Number of stocks	% of Universe
Buy	130	64
Hold	54	27
Sell	13	6
Rating suspended	5	2
Total	202	100

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	35	88
Hold	3	8
Sell	0	0
Rating suspended	2	5
Total	40	100

PRICE AND RATING HISTORY MEDIA AND GAMES INVEST PLC AS OF 31.08.2020



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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