

# **COMPANY PRESENTATION**

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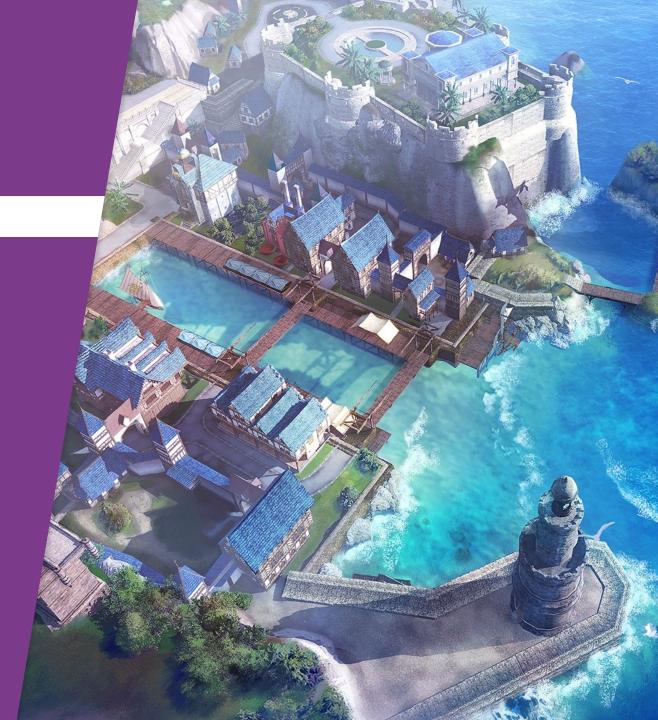
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### I. Introduction

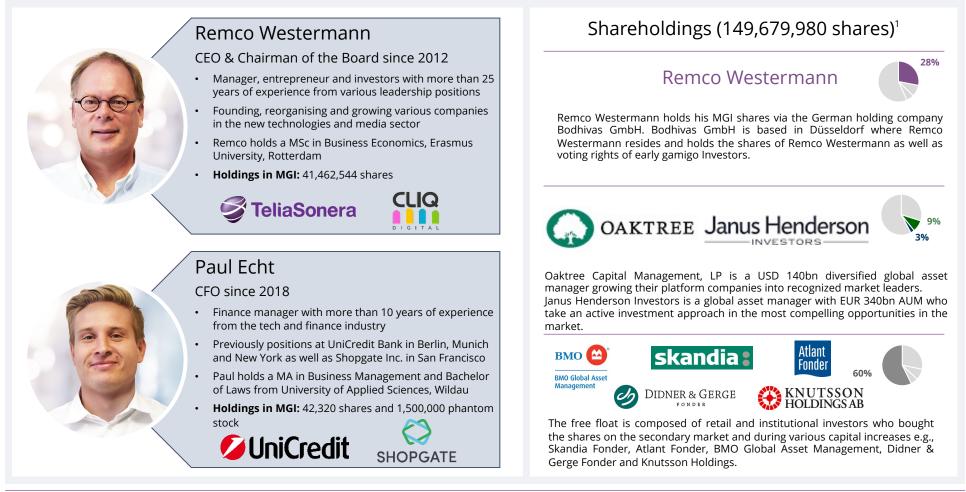
- II. Business overview
- III. Strategy
- IV. Financial performance



## CEO, CFO and ownership structure



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



Source: Group information

Note: 1) To hire top key employees as well as retaining employees the board has decided to launch an 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.



### I. Introduction

- II. Business overview
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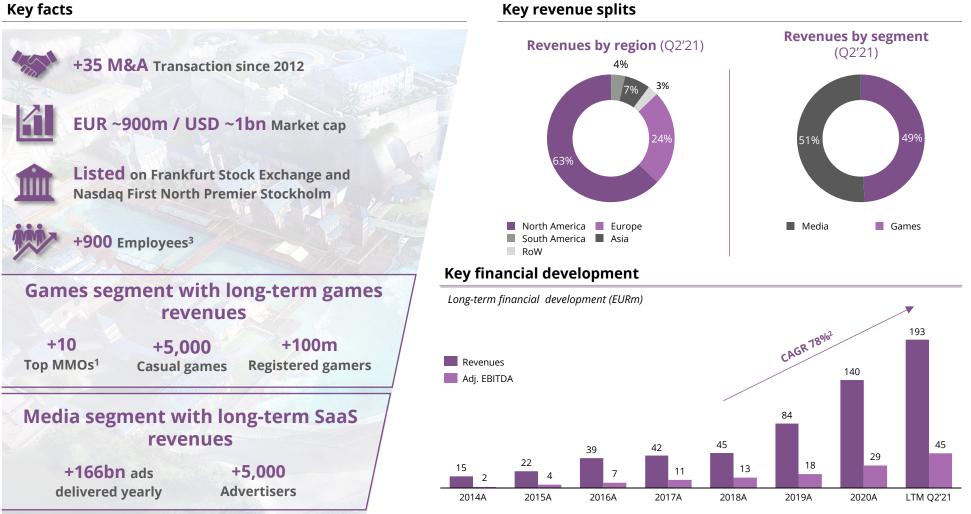
IV. Financial performance



### Media and Games Invest in a Nutshell



A leading European gaming and digital media powerhouse serving customers worldwide



**Key revenue splits** 

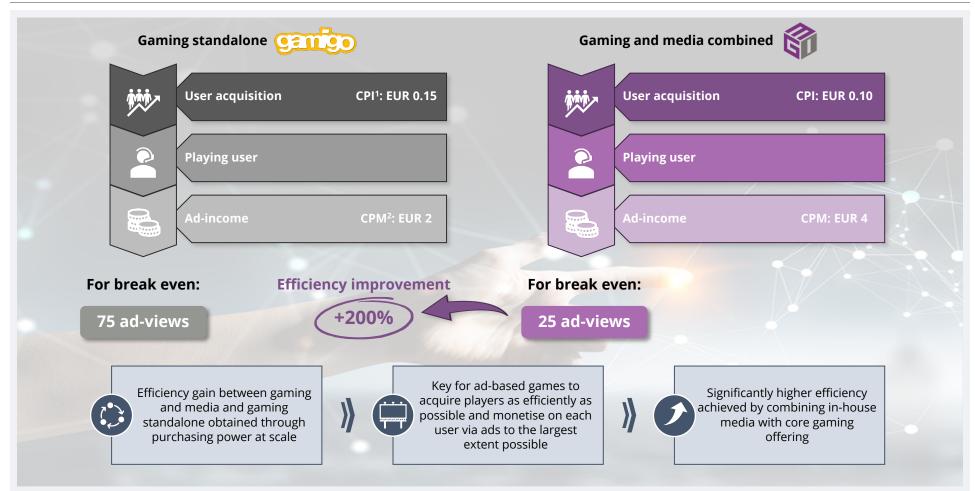
Source: Group information

Notes: 1) Massively Multiplayer Online games 2) CAGR 2018 – LTM Q2 2021 3) Including Smaato and freelancer

### Why we combine Media and Games



Combined Media & Games is much more efficient: clear cost / revenue advantage



Games and media combined: optimising the value chain, simplified example of the cost and revenue synergies

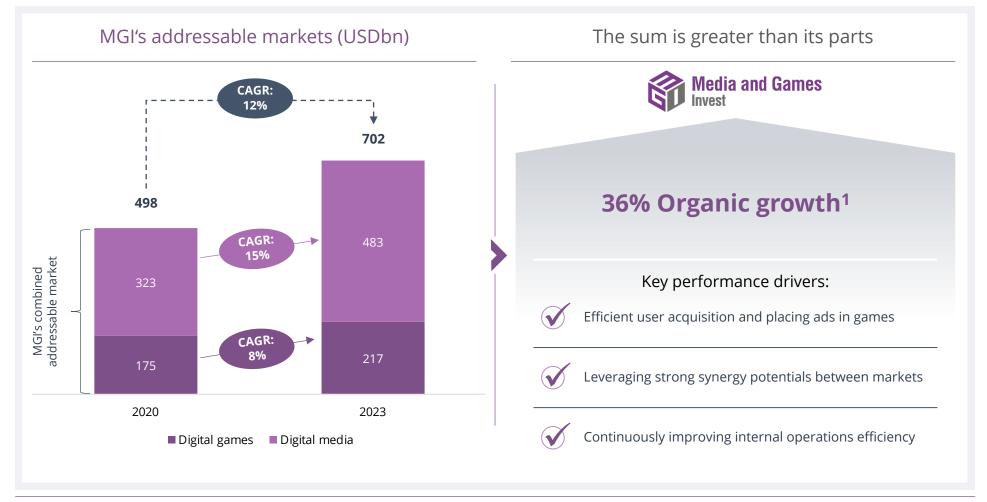
Source: Group information Notes: 1) CPI = Cost Per Install, 2) CPM = Cost Per Thousand Impression

### Strong profitable organic growth



Combining "Media and Games" results in 3.0x higher organic growth than the overall market

#### Illustration of value chain extension



Source: Newzoo Global Games Market Report, Emarketer Global Digital Ad Spending Update Q2 2020 Notes: 1) Q2 2021



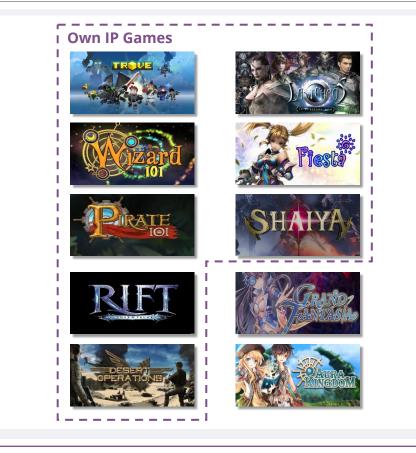




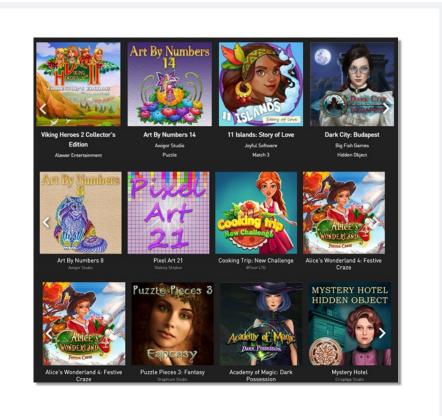
### Extensive catalogue of games



#### +10 Top MMOs



#### +5,000 Casual Games



80% of total Games revenue stemming from own IP<sup>1</sup>

### Revenues are typically recurring over +5 years



Loyal customer base ensures a high degree of recurring revenues and visibility

#### Revenue split by user tenure for selected games



Source: Group information Notes. 1) Figures Q1'21





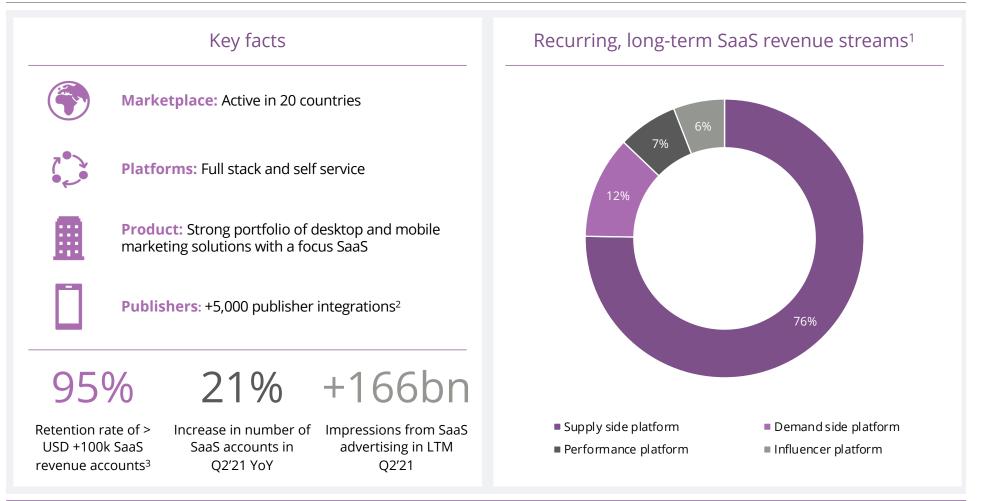


### Owned ad-tech enabling efficient user acquisition



Connecting Games brands, advertisers and publishers to users in real time

#### Media segment highlights



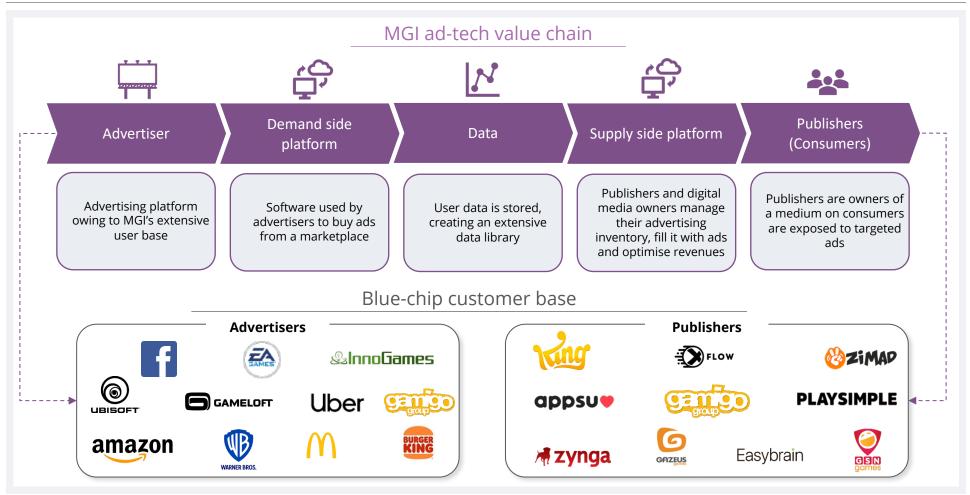
Source: Group information Notes: 1) Q2'21 2) Including Smaato 3) Based on Q2'21 Quarter-on-quarter numbers

### Full stack transparent advertising technology infrastructure



Programmatic advertising platform encompassing the entire ad-tech value chain and driving user acquisition

#### Media segment highlights



Source: Group information





### **Division overview: ESG**





## Sustainability



MGI has put great emphasize on sustainability initiatives and will continue to do so in the future

#### Achievements 2020



#### Agenda 2021 and beyond

1	Environmental		Social	血	Governance
	Carbon neutral	Inclusiv	ve and inspiring products	Dat	ta Protection and security
(	Green energy and cloud solutions	Measur	es for a safe environment	N	o Insults or Harassment
	Reuse IT equipment		Feedback culture	Zer	o tolerance for corruption
Comm	unity events with environmental impact	Health, d	iversity and gender equality		Independent Board

Source: Group information



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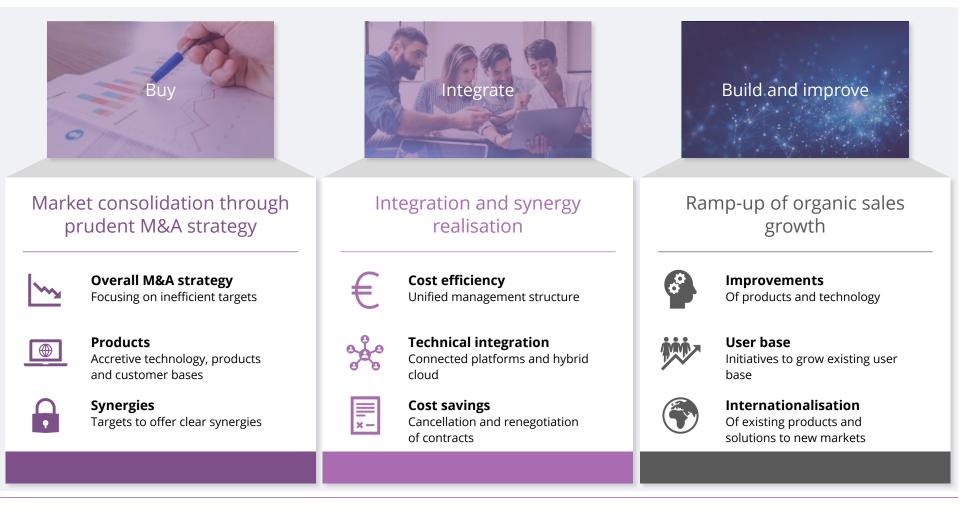


### Robust model enabling long-term value creation



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

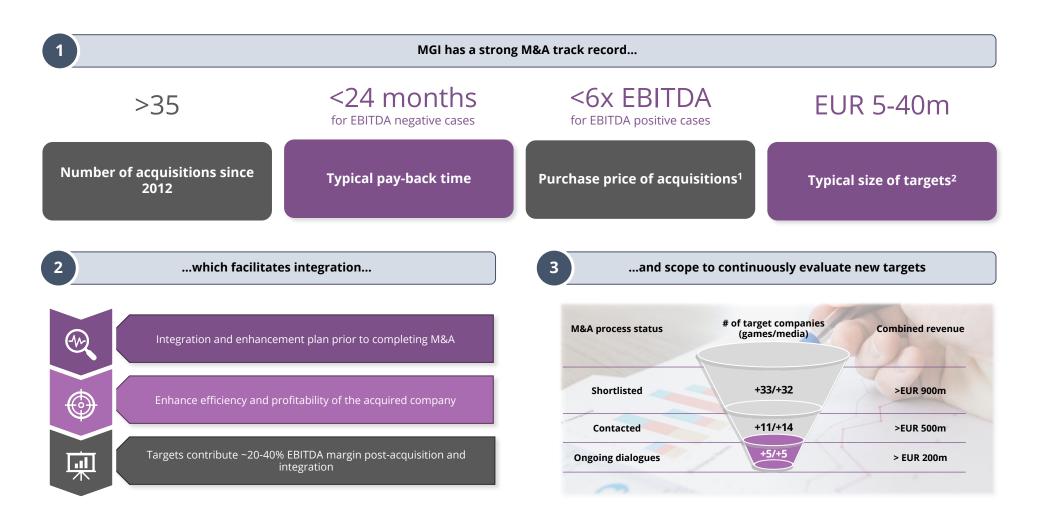
#### **Overview of MGI's strategy**



Source: Group information

### Built on a prudent and tested M&A strategy





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 July 2021

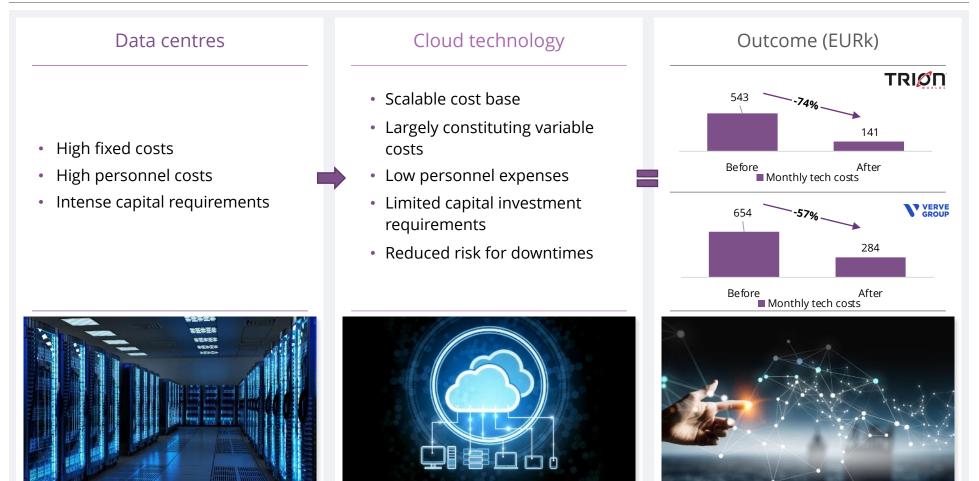
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## Successful integration of acquired entities



Enhanced cost control and efficiency through the use of state-of-the-art technology

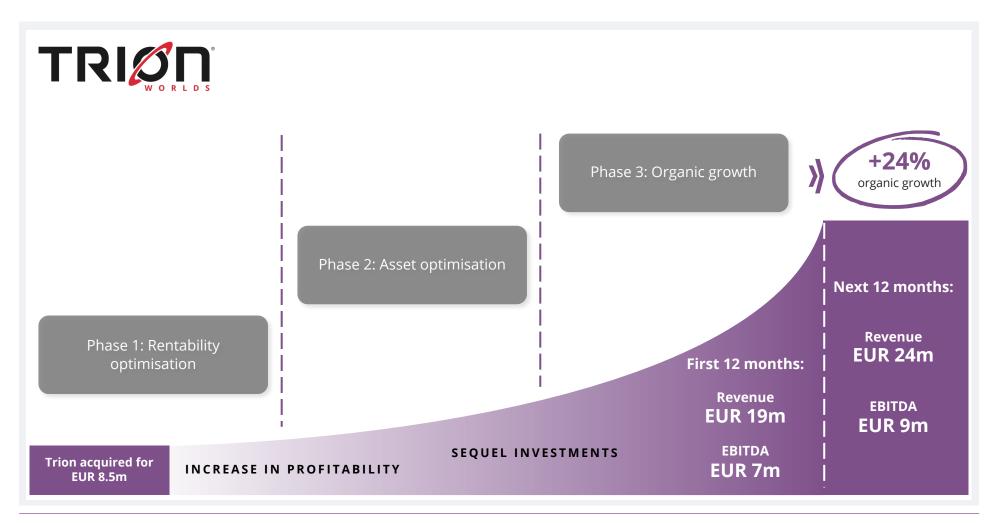
#### **Overview of integration process**



Source: Group information

## Strong ability to ramp up organic growth





Source: Group information



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**IV. Financial performance** 

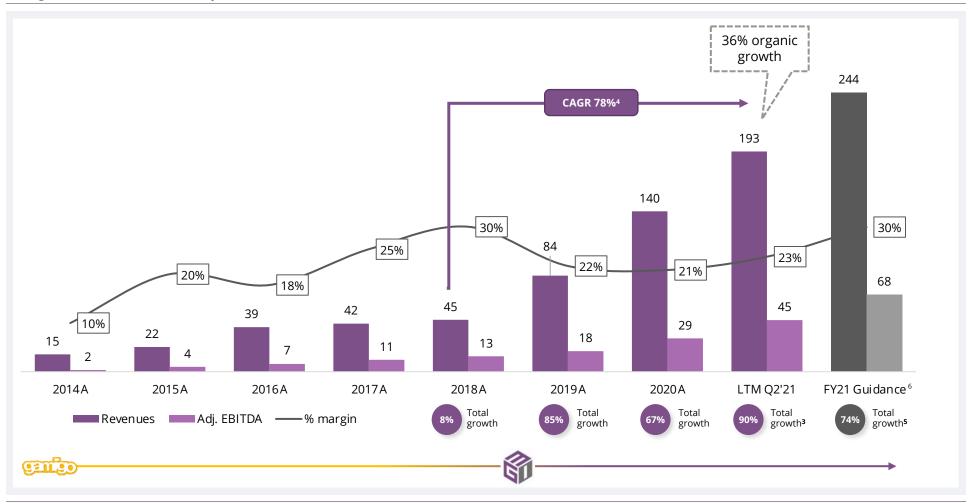


## Summary of financial performance



Profitable business model with an increasing share of organic growth

#### Long-term financial development (EURm)<sup>1,2</sup>

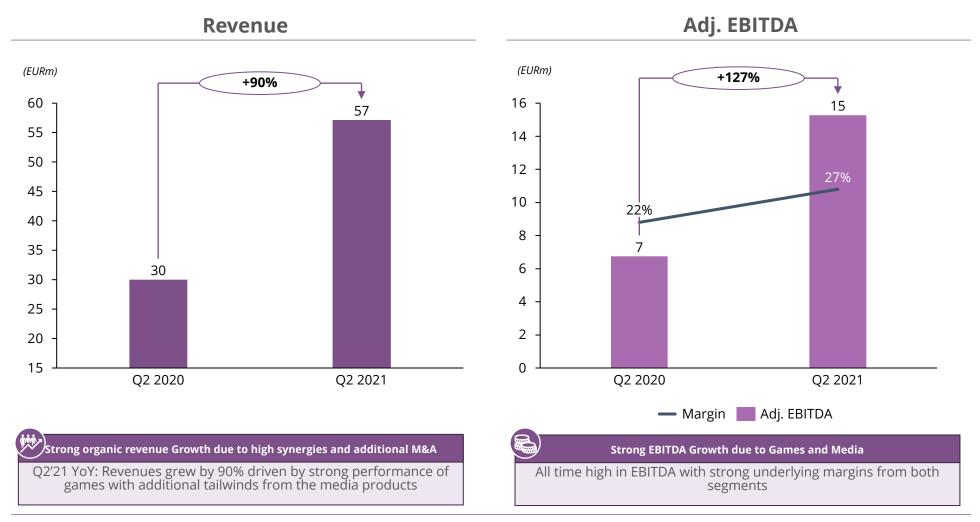


Source: Group information Notes: (1) gamigo standalone figures until 2018, EBITDA adjusted for one-time-, M&A and financing costs, (2) gamigo was acquired by MGI in May 2018, First Berlin (3) Q2 year-over-year (4) growth rate CAGR 2018 – LTM Q2 2021 (5) FY 21 Gudance vs. FY 2020 (6) Average of Guidance range (including Smaato)

## Second quarter revenue and EBITDA development



Growing Faster than the media and games market in 2020-2023E<sup>1</sup>



Source: Group information

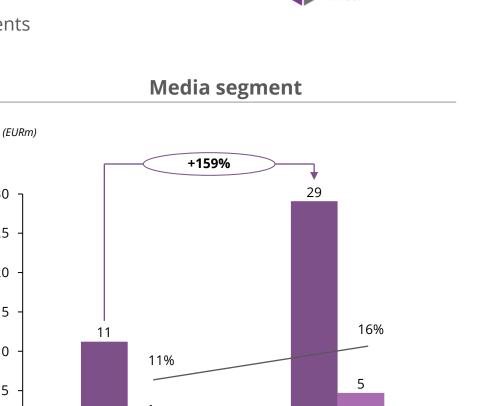
Notes: 1) 90% vs. 12% combined growth in digital Media and Games reported by Newzoo (Global Games Market Report) and Emarketer (Global Digital Ad Spending Update Q2 2020)

### Segment Performance

#### Strong organic growth combined with M&A in both segments

**Games segment** 

+49%

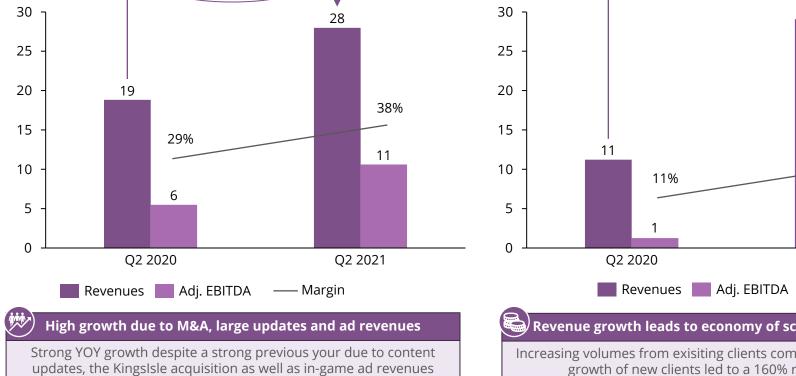


Media and Games

nvest

Q2 2021

— Margin



Revenue growth leads to economy of scale and high margins

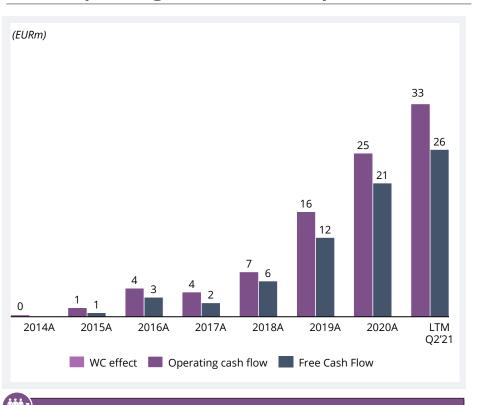
Increasing volumes from exisiting clients combined with 21% organic growth of new clients led to a 160% revenue growth

Source: Group information

(EURm)

## Operating cash flow and capex development

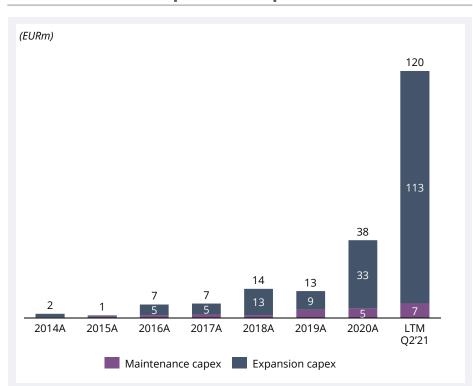




#### **Operating cash flow development**<sup>1,2,3</sup>

Highly cash generating business model

- Operating CF before for WC effect increased YoY
- Strong underlying Free Cashflow due to limited maintenance capex



**Capex development** 

#### Limited maintenance capex

Maintenance capex for further investments in IP owned games
Expansion capex increased largely due to M&A (KingsIsle) and new game IP's

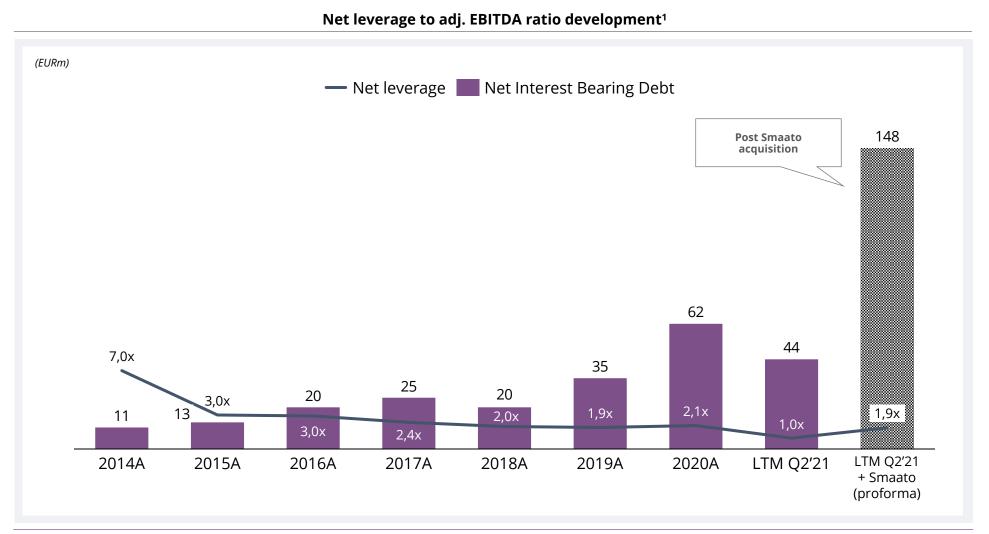
Source: Group information

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



Conservatively levered company with an net leverage of 1.9x



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

## Outlook MGI Group 2021

Double-down on EBITDA

#### Updated Financial Guidance 2021 incl. Smaato

	FY 2020	<b>Initial Guidance</b> 2021	Updated Guidance incl. Smaato 2021 <sup>2</sup>
<b>Revenue</b> (in €m)	140	220 - 240	234 - 254
Growth	67%	57-71%	67-81%
<b>Adj. EBITDA</b> (in €m)	29	60 - 65	65 - 70
Growth	61%	106-123%	123-141%

1) Based on mid-term financial targets 2) Smaato first time consolidation expected for 1 October 2021





