

Media and Games Invest plc

Germany - Others



HAUCK & AUFHÄUSER
Investment Banking

Buy (old: Buy)

Price target: EUR 5.00 (old: EUR 4.30)

Price:	EUR 3.70	Next result:	Q1'21: 31.05.21
Bloomberg:	M8G GR	Market cap:	EUR 476.4 m
Reuters:	M8G.DE	Enterprise Value:	EUR 557.4 m

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Strong FY results – Favourable prospects for FY'21E; PT up

FY'20 figures **came in ahead of guidance and largely beat our expectations** driven by a strong Q4 (see next page). Indeed, revenues in the last quarter of the year rose by 73% yoy to € 48.7m, beating our expectation of € 41.5m.

Both segments drove dynamic top-line growth. Gaming revenues came in at € 24.5m (+36% qoq / yoy not available) in the seasonally strong Q4, as the segment continued to benefit from strong user acquisition activity during COVID lockdowns. Further, growth was spurred by content updates for games ArcheAge and Unchained and the release of spin-off game Atlas Rogue. Finally, the acquisition of Freenet Digital (consolidated from Oct. 1, 2020) should have contributed c. € 4-5m of revenues in Q4.

Media segment revenues arrived at € 24.2m (+43% qoq / no yoy comparison available), as MGI scored new key partnerships in the gaming sector for its advertising platform and launched the full-screen video advertising format, which is a key format in gaming.

Group EBITDA increased by 120% yoy to € 9.0m in Q4 (eH&A: € 7.9m). The margin rose to 18.5% (Q4'19: 14.5%) carried by scale, a higher share of IP-owned games, as well as M&A synergies in the Media segment. Note that Q4 group EBITDA amounted to € 10.1m when adjusted for M&A one-off expenses. Looking at the bottom-line, MGI reported net income of € 2.0m in Q4, which is below our expectation due to a higher than expected tax rate of 31% versus 10% eH&A. High tax losses should ensure lower tax rates from FY'21E onwards (eH&A: 5% per year).

No FY'21E guidance issued (yet). However, prospects for this year look favourable in light of the KingsIsle acquisition, which is seen to contribute € 26m to sales and € 17m to EBITDA this year. Also, management highlighted new product launches (Heroes of Twilight) and a move towards mobile games (Golf Champions) as key organic growth drivers on the gaming side (50% of sales). In the Media segment (50% of sales), it has fully built up its advertising platform and is now looking to accelerate growth and drive up EBITDA margins to 15-20% in the mid-term (vs. 9% in Q4).

At the same time, **M&A should remain on the agenda** – management has a shortlist of five targets with combined revenues of € 150m+. It plans to pay less than 6x EV incl. synergies for these targets. **Reiterate BUY.** Slight changes to the DCF model (higher mid- and long-term growth) due to the better-than-expected performance in FY'21E **yield a new PT of € 5.00.** Note: FY'23E is introduced. *continued*

Y/E 31.12 (EUR m)	2017	2018	2019	2020	2021E	2022E	2023E
Sales	42.1	32.6	83.9	140.2	174.0	196.6	215.3
Sales growth	8 %	-22 %	157 %	67 %	24 %	13 %	10 %
EBITDA	7.0	8.6	15.5	26.5	49.9	55.8	60.3
EBIT	-2.0	2.3	5.0	11.0	25.8	32.2	36.7
Net income	-5.0	4.3	-0.3	3.1	18.1	23.9	28.1
Net debt	25.3	38.1	46.1	62.9	81.0	69.0	33.3
Net gearing	94.1 %	56.7 %	47.1 %	36.1 %	34.0 %	26.3 %	11.4 %
Net Debt/EBITDA	3.6	4.4	3.0	2.4	1.6	1.2	0.6
EPS pro forma	-0.05	0.05	0.00	0.04	0.22	0.27	0.30
CPS	0.00	0.03	0.12	0.19	0.42	0.32	0.34
DPS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividend yield	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Gross profit margin	64.5 %	64.1 %	55.6 %	49.2 %	62.6 %	62.6 %	62.5 %
EBITDA margin	16.7 %	26.5 %	18.5 %	18.9 %	28.7 %	28.4 %	28.0 %
EBIT margin	-4.9 %	7.1 %	6.0 %	7.9 %	14.8 %	16.4 %	17.0 %
ROCE	-3.5 %	1.7 %	3.2 %	4.4 %	8.5 %	9.6 %	9.8 %
EV/sales	8.6	11.5	4.6	3.0	3.2	2.8	2.4
EV/EBITDA	51.3	43.3	24.6	15.7	11.2	9.8	8.5
EV/EBIT	-176.5	160.7	35.4	25.2	17.8	16.9	13.9
PER	-67.4	77.7	-1036.9	103.4	16.7	13.8	12.3
Adjusted FCF yield	1.0%	1.2%	2.8%	4.5%	7.4%	8.5%	9.8%

Source: Company data, Hauck & Aufhäuser Close price as of: 04.03.2021



Source: Company data, Hauck & Aufhäuser

High/low 52 weeks: 4.40 / 0.98

Price/Book Ratio: 2.1

Relative performance (TecDAX):

3 months 159.0 %

6 months 186.9 %

12 months 228.6 %

Changes in estimates

		Sales	EBIT	EPS
2021	old:	174.0	25.8	0.22
	Δ	-	-	0.0%
2022	old:	196.6	32.2	0.27
	Δ	-	-	0.0%
2023	old:			
	Δ			

Key share data:

Number of shares: (in m pcs) 128.7

Authorised capital: (in € m) -

Book value per share: (in €) 1.8

Ø trading volume: (12 months) 135,000

Major shareholders:

Free Float 58.0 %

Bodhivas GmbH 33.0 %

Oaktree 9.0 %

Company description:

MGI is a fast-growing and profitable company operating in the digital games sector with a strong supportive media unit

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EUR	Q4'20	Q4'20 est	Q4'19	yoy	FY'20	FY'20 Guidance	FY'19	yoy
Sales	48.7	41.5	28.2	73%	140.2	125-135	83.9	67%
Gaming	24.5	22.4	n/a	n/a	75.2	n/a	43.1	74%
Media	24.2	19.1	n/a	n/a	65.0	n/a	40.8	59%
Reported EBITDA	9.0	7.9	4.1	120%	26.5	23-26	15.5	71%
EBITDA margin	18.5%	19.0%	14.5%	+ 3.9 pp	18.9%	17-21%	18.5%	+ 0.4 pp
Gaming	6.9	6.3	n/a	n/a	21.4	n/a	12.6	70%
EBITDA margin	28%	28%	n/a	n/a	28.5%	n/a	29.2%	- 0.8 pp
Media	2.1	1.6	n/a	n/a	5.1	n/a	2.9	76%
EBITDA margin	8.7%	8.4%	n/a	n/a	7.8%	n/a	7.1%	+ 0.7 pp
Net profit	2.0	4.1	0.3	567%	2.7	n/a	1.3	108%
Net margin	4.1%	9.9%	1.1%	+ 3.0 pp	1.9%	n/a	1.5%	+ 0.4 pp

Source: Company data, Hauck & Aufhäuser

Financials

Profit and loss (EUR m)	2017	2018	2019	2020	2021E	2022E	2023E
Net sales	42.1	32.6	83.9	140.2	174.0	196.6	215.3
<i>Sales growth</i>	8.0 %	-22.5 %	157.2 %	67.1 %	24.1 %	13.0 %	9.5 %
Increase/decrease in finished goods and work-in-process	3.6	2.8	10.2	16.0	16.5	17.7	18.3
Total sales	45.7	35.4	94.1	156.2	190.5	214.3	233.6
Other operating income	2.4	6.5	4.6	6.3	7.0	7.9	8.6
Material expenses	16.2	12.7	41.8	79.4	71.3	80.2	87.6
Personnel expenses	13.9	10.4	27.4	39.6	60.0	67.8	74.3
Other operating expenses	10.9	10.1	14.0	17.0	16.2	18.3	20.0
Total operating expenses	38.6	26.8	78.5	129.7	140.6	158.5	173.3
EBITDA	7.0	8.6	15.5	26.5	49.9	55.8	60.3
Depreciation	0.7	6.3	2.8	3.0	2.6	2.6	2.6
EBITA	6.3	2.3	12.7	23.5	47.3	53.2	57.7
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	8.4	0.0	7.7	12.5	21.5	21.0	21.0
Impairment charges	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT (inc revaluation net)	-2.0	2.3	5.0	11.0	25.8	32.2	36.7
Interest income	0.1	0.1	0.1	0.0	0.0	0.0	0.0
Interest expenses	2.4	1.7	5.8	0.0	6.5	6.5	6.5
Other financial result	1.3	0.0	0.0	0.0	0.0	0.0	0.0
Financial result	-3.6	-1.6	-5.8	-7.1	-6.4	-6.4	-6.4
Recurring pretax income from continuing operations	-5.7	0.7	-0.8	3.9	19.4	25.8	30.3
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	-5.7	0.7	-0.8	3.9	19.4	25.8	30.3
Taxes	-0.7	-0.9	-2.0	1.2	1.0	1.3	1.5
Net income from continuing operations	-5.0	1.6	1.3	2.7	18.4	24.5	28.7
Result from discontinued operations (net of tax)	0.0	-3.7	0.0	0.0	0.0	0.0	0.0
Net income	-5.0	5.3	1.3	2.7	18.4	24.5	28.7
Minority interest	0.0	0.9	1.6	-0.4	0.3	0.6	0.6
Net profit (reported)	-5.0	4.3	-0.3	3.1	18.1	23.9	28.1
Average number of shares	90.8	90.8	90.8	85.5	128.7	128.7	128.7
EPS reported	-0.05	0.05	0.00	0.04	0.14	0.19	0.22

Profit and loss (common size)	2017	2018	2019	2020	2021E	2022E	2023E
Net sales	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Increase/decrease in finished goods and work-in-process	8.5 %	8.6 %	12.1 %	11.4 %	9.5 %	9.0 %	8.5 %
Total sales	108.5 %	108.6 %	112.1 %	111.4 %	109.5 %	109.0 %	108.5 %
Other operating income	5.6 %	19.9 %	5.5 %	4.5 %	4.0 %	4.0 %	4.0 %
Material expenses	38.6 %	38.9 %	49.8 %	56.6 %	41.0 %	40.8 %	40.7 %
Personnel expenses	33.1 %	32.0 %	32.6 %	28.2 %	34.5 %	34.5 %	34.5 %
Other operating expenses	25.8 %	31.1 %	16.7 %	12.1 %	9.3 %	9.3 %	9.3 %
Total operating expenses	91.8 %	82.1 %	93.6 %	92.5 %	80.8 %	80.6 %	80.5 %
EBITDA	16.7 %	26.5 %	18.5 %	18.9 %	28.7 %	28.4 %	28.0 %
Depreciation	1.7 %	19.4 %	3.3 %	2.1 %	1.5 %	1.3 %	1.2 %
EBITA	15.0 %	7.1 %	15.2 %	16.8 %	27.2 %	27.1 %	26.8 %
Amortisation of goodwill	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Amortisation of intangible assets	19.8 %	0.0 %	9.2 %	8.9 %	12.4 %	10.7 %	9.8 %
Impairment charges	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
EBIT (inc revaluation net)	neg.	7.1 %	6.0 %	7.9 %	14.8 %	16.4 %	17.0 %
Interest income	0.1 %	0.3 %	0.1 %	0.0 %	0.0 %	0.0 %	0.0 %
Interest expenses	5.6 %	5.3 %	7.0 %	0.0 %	3.7 %	3.3 %	3.0 %
Other financial result	3.1 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Financial result	neg.	neg.	neg.	neg.	neg.	neg.	neg.
Recurring pretax income from continuing operations	neg.	2.1 %	neg.	2.8 %	11.1 %	13.1 %	14.1 %
Extraordinary income/loss	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Earnings before taxes	neg.	2.1 %	neg.	2.8 %	11.1 %	13.1 %	14.1 %
Tax rate	11.9 %	-130.3 %	265.1 %	30.6 %	5.0 %	5.0 %	5.0 %
Net income from continuing operations	neg.	4.8 %	1.5 %	1.9 %	10.6 %	12.5 %	13.4 %
Income from discontinued operations (net of tax)	0.0 %	-11.3 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Net income	neg.	16.1 %	1.5 %	1.9 %	10.6 %	12.5 %	13.4 %
Minority interest	neg.	2.9 %	1.9 %	neg.	0.2 %	0.3 %	0.3 %
Net profit (reported)	neg.	13.3 %	neg.	2.2 %	10.4 %	12.2 %	13.1 %

Source: Company data, Hauck & Aufhäuser

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Balance sheet (EUR m)	2017	2018	2019	2020	2021E	2022E	2023E
Intangible assets	47.5	204.1	233.2	272.8	354.5	368.3	362.3
Property, plant and equipment	1.7	4.2	3.5	1.7	1.2	1.0	0.8
Financial assets	0.5	5.4	8.6	8.6	8.6	8.6	8.6
FIXED ASSETS	49.6	213.7	245.4	283.2	364.4	377.9	371.8
Inventories	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable	4.9	5.4	17.0	46.1	35.3	39.9	43.6
Other current assets	4.1	6.4	5.8	10.2	10.2	10.2	10.2
Liquid assets	1.0	4.4	33.0	46.3	14.1	26.1	61.8
Deferred taxes	7.1	6.4	11.2	0.0	0.0	0.0	0.0
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	17.2	22.6	67.1	102.6	59.6	76.2	115.7
TOTAL ASSETS	66.8	236.3	312.4	385.8	424.0	454.1	487.4
SHAREHOLDERS EQUITY	26.8	67.2	98.1	174.1	238.6	262.5	291.3
MINORITY INTEREST	-0.1	91.3	70.5	2.7	2.7	2.7	2.7
Long-term debt	19.3	42.6	79.1	79.1	95.1	95.1	95.1
Provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other provisions	3.0	7.0	12.6	12.6	12.6	12.6	12.6
Non-current liabilities	22.3	49.6	91.7	91.7	107.7	107.7	107.7
short-term liabilities to banks	7.0	0.0	0.0	30.0	0.0	0.0	0.0
Accounts payable	7.2	9.4	20.3	34.2	42.9	48.5	53.1
Advance payments received on orders	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other liabilities (incl. from lease and rental contracts)	3.4	4.4	14.9	14.9	14.9	14.9	14.9
Deferred taxes	0.2	14.4	17.0	38.2	17.3	17.7	17.7
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current liabilities	17.7	28.2	52.2	117.3	75.1	81.1	85.7
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	66.8	236.3	312.4	385.8	424.0	454.0	487.4

Balance sheet (common size)	2017	2018	2019	2020	2021E	2022E	2023E
Intangible assets	71.1 %	86.4 %	74.6 %	70.7 %	83.6 %	81.1 %	74.3 %
Property, plant and equipment	2.5 %	1.8 %	1.1 %	0.5 %	0.3 %	0.2 %	0.2 %
Financial assets	0.7 %	2.3 %	2.8 %	2.2 %	2.0 %	1.9 %	1.8 %
FIXED ASSETS	74.3 %	90.4 %	78.5 %	73.4 %	85.9 %	83.2 %	76.3 %
Inventories	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Accounts receivable	7.3 %	2.3 %	5.5 %	12.0 %	8.3 %	8.8 %	9.0 %
Other current assets	6.2 %	2.7 %	1.9 %	2.7 %	2.4 %	2.3 %	2.1 %
Liquid assets	1.5 %	1.9 %	10.6 %	12.0 %	3.3 %	5.7 %	12.7 %
Deferred taxes	10.7 %	2.7 %	3.6 %	0.0 %	0.0 %	0.0 %	0.0 %
Deferred charges and prepaid expenses	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
CURRENT ASSETS	25.7 %	9.6 %	21.5 %	26.6 %	14.1 %	16.8 %	23.7 %
TOTAL ASSETS	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
SHAREHOLDERS EQUITY	40.2 %	28.4 %	31.4 %	45.1 %	56.3 %	57.8 %	59.8 %
MINORITY INTEREST	neg.	38.6 %	22.6 %	0.7 %	0.6 %	0.6 %	0.6 %
Long-term debt	28.9 %	18.0 %	25.3 %	20.5 %	22.4 %	21.0 %	19.5 %
Provisions for pensions and similar obligations	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Other provisions	4.5 %	3.0 %	4.0 %	3.3 %	3.0 %	2.8 %	2.6 %
Non-current liabilities	33.4 %	21.0 %	29.4 %	23.8 %	25.4 %	23.7 %	22.1 %
short-term liabilities to banks	10.4 %	0.0 %	0.0 %	7.8 %	0.0 %	0.0 %	0.0 %
Accounts payable	10.8 %	4.0 %	6.5 %	8.9 %	10.1 %	10.7 %	10.9 %
Advance payments received on orders	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Other liabilities (incl. from lease and rental contracts)	5.0 %	1.8 %	4.8 %	3.9 %	3.5 %	3.3 %	3.1 %
Deferred taxes	0.3 %	6.1 %	5.4 %	9.9 %	4.1 %	3.9 %	3.6 %
Deferred income	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Current liabilities	26.6 %	11.9 %	16.7 %	30.4 %	17.7 %	17.9 %	17.6 %
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

Source: Company data, Hauck & Aufhäuser

Cash flow statement (EUR m)	2017	2018	2019	2020	2021E	2022E	2023E
Net profit/loss	-5.0	5.3	1.3	2.7	18.4	24.5	28.7
Depreciation of fixed assets (incl. leases)	0.7	6.3	10.5	3.0	2.6	2.6	2.6
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	8.4	0.0	0.0	12.5	21.5	21.0	21.0
Others	0.7	1.6	-0.3	22.1	0.0	0.0	0.0
Cash flow from operations before changes in w/c	4.8	13.2	11.5	40.4	42.5	48.1	52.3
Increase/decrease in inventory	0.0	-11.0	0.0	0.0	0.0	0.0	0.0
Increase/decrease in accounts receivable	0.6	-8.1	0.8	-29.1	10.8	-4.6	-3.8
Increase/decrease in accounts payable	-1.6	12.9	3.9	13.9	8.7	5.6	4.6
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	-1.0	-6.2	4.7	-15.2	19.6	1.0	0.8
Cash flow from operating activities	3.8	6.9	16.2	25.2	62.1	49.1	53.2
CAPEX	7.3	10.7	12.6	12.9	14.3	16.1	17.4
Payments for acquisitions	2.2	3.9	0.5	24.8	91.0	21.0	0.0
Financial investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.7	0.5	0.0	0.0	0.0	0.0	0.0
Cash flow from investing activities	-8.7	-14.1	-13.1	-37.7	-105.3	-37.1	-17.4
Cash flow before financing	-4.9	-7.2	3.1	-12.5	-43.2	12.0	35.7
Increase/decrease in debt position	0.0	9.8	26.7	30.0	-14.0	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	3.8	8.8	23.0	25.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Others	-0.8	-2.5	-10.1	-7.2	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.0	0.1	0.0	0.0	0.0	0.0	0.0
Cash flow from financing activities	-0.9	11.1	25.4	45.8	11.0	0.0	0.0
Increase/decrease in liquid assets	-5.8	4.0	28.5	33.3	-32.2	12.0	35.7
Liquid assets at end of period	3.9	4.4	33.0	46.3	14.1	26.1	61.8

Source: Company data, Hauck & Aufhäuser

Regional split (EUR m)	2017	2018	2019	2020	2021E	2022E	2023E
Domestic	n/a	n/a	n/a	n/a	n/a	n/a	n/a
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Rest of Europe	21.0	16.3	41.9	70.1	87.0	98.3	107.6
yoy change	8.0 %	-22.5 %	157.2 %	67.1 %	24.1 %	13.0 %	9.5 %
NAFTA	21.0	16.3	41.9	70.1	95.7	108.1	118.4
yoy change	8.0 %	-22.5 %	157.2 %	67.1 %	36.5 %	13.0 %	9.5 %
Asia Pacific	n/a	n/a	n/a	n/a	n/a	n/a	n/a
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Rest of world	n/a	n/a	n/a	n/a	n/a	n/a	n/a
yoy change	n/a	n/a	n/a	n/a	n/a	n/a	n/a
TTL	42.1	32.6	83.9	140.2	174.0	196.6	215.3
yoy change	8.0 %	-22.5 %	157.2 %	67.1 %	24.1 %	13.0 %	9.5 %

Source: Company data, Hauck & Aufhäuser

Media and Games Invest plc

Key ratios (EUR m)	2017	2018	2019	2020	2021E	2022E	2023E
P&L growth analysis							
Sales growth	8.0 %	-22.5 %	157.2 %	67.1 %	24.1 %	13.0 %	9.5 %
EBITDA growth	166.8 %	227.9 %	120.9 %	207.1 %	221.3 %	110.3 %	20.7 %
EBIT growth	-77.7 %	-125.4 %	-344.3 %	374.2 %	416.9 %	192.0 %	42.0 %
EPS growth	-45.4 %	-147.4 %	-93.5 %	-24.9 %	-	419.1 %	55.4 %
Efficiency							
Total operating costs / sales	91.8 %	82.1 %	93.6 %	92.5 %	80.8 %	80.6 %	80.5 %
Sales per employee	116.6	95.4	235.8	400.9	487.8	543.1	1,186.5
EBITDA per employee	19.5	25.3	43.7	75.9	140.0	154.2	332.2
Balance sheet analysis							
Avg. working capital / sales	neg.	neg.	neg.	2.8 %	neg.	0.8 %	neg.
Inventory turnover (sales/inventory)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Trade debtors in days of sales	42.4	60.6	74.2	120.1	74.0	74.0	74.0
A/P turnover [(A/P*365)/sales]	62.6	104.8	88.2	89.0	90.0	90.0	90.0
Cash conversion cycle (days)	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Cash flow analysis							
Free cash flow	-3.5	-3.7	3.6	12.3	47.8	33.0	35.7
Free cash flow/sales	-8.3 %	-11.5 %	4.3 %	8.8 %	27.5 %	16.8 %	16.6 %
FCF / net profit	neg.	neg.	neg.	402.2 %	264.5 %	137.9 %	127.1 %
Capex / depre	80.4 %	169.1 %	119.6 %	83.2 %	59.2 %	68.3 %	73.9 %
Capex / maintenance capex	9.2 %	0.0 %	17.7 %	22.4 %	26.1 %	27.8 %	26.3 %
Capex / sales	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Security							
Net debt	25.3	38.1	46.1	62.9	81.0	69.0	33.3
Net Debt/EBITDA	3.6	4.4	3.0	2.4	1.6	1.2	0.6
Net debt / equity	0.9	0.6	0.5	0.4	0.3	0.3	0.1
Interest cover	0.0	1.3	0.9	999.0	4.0	5.0	5.7
Dividend payout ratio	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Asset utilisation							
Capital employed turnover	0.8	0.2	0.3	0.5	0.5	0.5	0.5
Operating assets turnover	-65.8	135.4	285.4	10.3	-27.2	-25.8	-24.8
Plant turnover	24.9	7.8	23.8	80.5	141.5	198.7	284.1
Inventory turnover (sales/inventory)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Returns							
ROCE	-3.5 %	1.7 %	3.2 %	4.4 %	8.5 %	9.6 %	9.8 %
ROE	-18.6 %	6.4 %	-0.3 %	1.8 %	7.6 %	9.1 %	9.6 %
Other							
Interest paid / avg. debt	9.0 %	5.0 %	11.1 %	0.0 %	7.4 %	6.3 %	6.8 %
No. employees (average)	361	342	356	350	357	362	181
Number of shares	90.8	90.8	90.8	85.5	128.7	128.7	128.7
DPS	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EPS reported	-0.05	0.05	0.00	0.04	0.14	0.19	0.22
Valuation ratios							
P/BV	12.9	5.1	3.5	2.1	2.1	1.9	1.7
EV/sales	8.8	11.7	4.7	3.0	3.3	2.8	2.4
EV/EBITDA	52.6	44.3	25.2	16.1	11.4	10.0	8.7
EV/EBITA	58.7	164.6	30.7	18.1	12.0	10.5	9.1
EV/EBIT	-181.0	164.6	36.2	25.8	18.2	17.3	14.2
EV/FCF	-105.7	-102.5	109.0	34.7	11.9	16.9	14.6
Adjusted FCF yield	1.0 %	1.2 %	2.7 %	4.4 %	7.2 %	8.3 %	9.6 %
Dividend yield	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %

Source: Company data, Hauck & Aufhäuser

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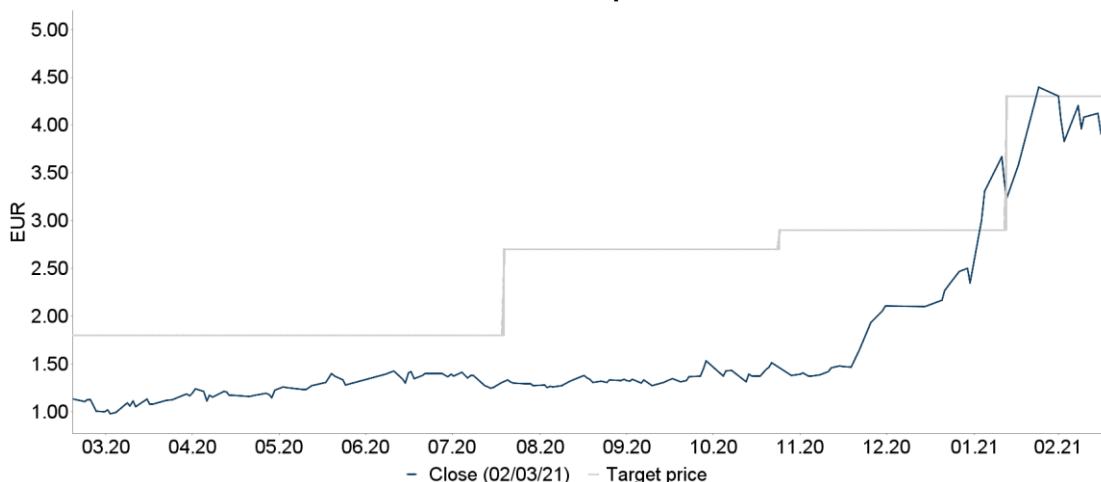
Company	Disclosure
Media and Games Invest plc	2, 3, 6, 8

Historical target price and rating changes for Media and Games Invest plc in the last 12 months

**Price and Rating History
Media and Games Invest plc as of 04/03/21**

Initiation coverage

08-January-20



Company	Date	Analyst	Rating	Target price	Close
Media and Games Invest plc	29.01.2021	Wunderlich, CFA, Tim	Buy	EUR 4,30	EUR 3,24
	10.11.2020	Wunderlich, CFA, Tim	Buy	EUR 2,90	EUR 1,51
	05.08.2020	Wunderlich, CFA, Tim	Buy	EUR 2,70	EUR 1,33

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