



**Media and Games
Invest Group**

HALF YEAR REPORT Q2 2022

MEDIA AND GAMES INVEST GROUP "MGI"



HALF YEAR REPORT Q2 2022

Media and Games Invest Group ("MGI" or the "Company")
All figures are consolidated group figures

STRONG REVENUE AND EBITDA GROWTH DESPITE MACROECONOMIC HEADWINDS

"MGI continued its strong growth trajectory in the second quarter of 2022. Revenues increased 37% year-over-year and adj. EBITDA increased by 38% year-over-year. Overall, the Company's organic growth amounted to 18% year-over-year. While the challenging global macroeconomic conditions led to some softness in revenue growth due to lower total industry ad spend, MGI's business model with its integrated Ad Tech software platform and first-party content has enabled us to generate solid financial performance in Q2 2022. We are in a market environment characterized by recession fears, inflationary pressures, rising interest rates and ongoing supply chain disruptions, which have already impacted corporate advertising spend as a result. In this environment, our key focus will now be on organic revenue growth, further increasing our profitability while also engaging in cost saving measures. We also plan for the realization of cost synergies concurrent with a deleveraging strategy. Even though the outside environment has changed, we herewith confirm our forecast for the full-year 2022 and expect revenues of EUR 295-315 million with adj. EBITDA of EUR 83-93 million," says Remco Westermann, CEO & Chairman of MGI Group.

HIGHLIGHTS Q2 2022

- **Net Revenues** amounted to 78.1 mEUR (Q2 2021: 57.1 mEUR), an increase of 37% compared to Q2 2021, whereof 18% was contributed by Organic Revenue Growth.
- **Adj. EBITDA** amounted to 21.1 mEUR (Q2 2021: 15.3 mEUR), an increase of 38%.
- **Adj. EBIT** amounted to 16.4 mEUR (Q2 2021: 11.1 mEUR), which is an increase of 47%.
- **Adj. Net Result** amounted to 6.4 mEUR (Q2 2021: 5.9 mEUR), an increase of 7%.

SELECTED KEY PERFORMANCE INDICATORS, MGI GROUP

In mEUR	Q2 2022	Q2 2021	H1 2022	H1 2021	FY 2021
Net Revenues	78.1	57.1	143.9	109.0	252.2
YoY Growth in Revenues	37%	90%	32%	93%	80%
EBITDA	20.0	14.5	36.9	26.6	65.0
EBITDA Margins	26%	25%	26%	24%	26%
Adj. EBITDA	21.1	15.3	38.6	28.7	71.1
Adj. EBITDA Margins	27%	27%	27%	26%	28%
Adj. EBIT	16.4	11.1	29.9	20.4	54.8
Adj. EBIT Margins	21%	19%	21%	19%	22%
Adj. Net Result	6.4	5.9	12.0	10.8	28.0
Adj. Net Result Margins	8%	10%	8%	10%	11%



HIGHLIGHTS H1 2022

- **Net Revenues** amounted to 143.9 mEUR (H1 2021: 109.0 mEUR), an increase of 32% compared to H1 2021.
- **Adj. EBITDA** amounted to 38.6 mEUR (H1 2021: 28.7 mEUR), an increase of 34%.
- **Adj. EBIT** amounted to 29.9 mEUR (H1 2021: 20.4 mEUR), which is an increase of 46%.
- **Adj. Net Result** amounted to 12.0 mEUR (H1 2021: 10.8 mEUR), an increase of 11%.
- **Net Interest-Bearing Debt** as of June 30, 2022 amounted to 298.8 mEUR (December 31, 2021: 198.6 mEUR).
- **Leverage Ratio** amounted to 3.7x as of June 30, 2022 (2.8x as per December 31, 2021). At the end of Q2 2022, this ratio includes ten months of Smaato as well as 2 months of AxesInMotion EBITDA and is therefore overstated. Mid-term, the company intends to de-lever to below 3.0x.
- **Cash and Cash Equivalents** amounted to 125.4 mEUR (December 31, 2021: 180.2 mEUR) and decreased due to the final earn-out and deferred purchase price payments related to the KingsIsle acquisition as well as the initial purchase price payment for the AxesInMotion acquisition.
- **Earnings Per Share (EPS)** undiluted / diluted amounted to EUR 0.04 (H1'21: undiluted / diluted EUR 0.04). EPS undiluted / diluted adjusted for PPA-amortization amounted to EUR 0.08 (H1'21: undiluted / diluted EUR 0.08).



A WORD FROM REMCO WESTERMANN, CEO

"MGI continued its profitable growth path in the second quarter of 2022. Revenues and EBITDA increased year-over-year by 37% and 38%, respectively, and our organic growth amounted to 18% year-over-year. This is a solid financial performance considering the challenging global macroeconomic conditions which has led to some softness in revenue growth due to lower total industry ad spend. We are in a market environment characterized by recession fears, inflationary pressures, rising interest rates and ongoing supply chain disruptions, which, as a result, have already impacted corporate advertising spend. For the second half of the year, we expect overall advertising spend to continue to be negatively impacted by this market environment.

Even though our outside environment has changed, we herewith confirm our forecast for the full-year 2022 and expect revenues of EUR 295 – 315 million and adj. EBITDA of EUR 83-93 million. The confirmation of our guidance for 2022 is based on i) our strong offering of contextual targeting for advertisers in a world without identifiers, ii) our portfolio of premium MMO games, which we expect to be highly resilient to, or even benefiting from, a potential economic downturn and iii) synergies which we can leverage from earlier acquisitions, such as the acquisitions of the Mobile Games Company AxesInMotion and the Contextual Mobile DSP Dataseat.

With the recent AxesInMotion and Dataseat acquisitions, we have added two highly accretive elements to our ad software platform. AxesInMotion has significantly strengthened our position in the mobile games sector, adding substantial first-party data from hundreds of millions of gamers, while with Dataseat we have acquired a mobile demand-side platform with a strong focus on contextual user acquisition for mobile games companies. These two acquisitions have not only strong revenue synergy potentials with each other, but also with the entire MGI ad software platform.

In the second quarter of 2022, we focused on further accelerating our Flywheel. An important part of focus was on growing our demand-side. By amongst other further increasing our sales efforts in the managed advertising services area and by adding and scaling customers, we were able to grow our Demand Side Revenues organically by 76% year-over-year. Additionally, innovation such as launching new products into the market has become an important driver for our growth. We are now the first company in the market to successfully run a cross-channel re-engagement campaign for console gamers via CTV devices. Cross-channel campaigns, meaning the targeting of users across different channels such as in-app, mobile web, web, CTV or digital out of home, are an important part of our offering as they allow customers to act more efficiently both within and between the different channels.

Based on our various acquisitions, as well as our investments in technology and growth, we are working on further building key competitive advantages. Apart from having a strong combination of owned content and data, allowing us to target better and also guarantee brand safety, we have also built our Ad-Software Platform into one of very few in the market that is able to offer a multi-channel solution on a single platform. Running the same campaign on different channels leads to significant gains in efficiency and is especially important for games publishers, who can execute new user acquisition as well as re-engagement campaigns to reach the gamer communities and gain their attention with the right multi-channel offering. Here, contextual targeting is a key competitive differentiator for MGI.

As we have previously mentioned, we are spending a significant amount of time on our portfolio to systematically upgrade the existing games. When we bought KingsIsle in 2021, we immediately launched upgrades and for the games Wizard 101 and Pirates 101. Additionally, we relaunched Wizard101 in Europe after we got the license back from Gameforge. These initiatives were very successful and KingsIsle has outperformed our expectations. The focus on our larger games in our portfolio has clearly paid off and we have built up a very promising launch pipeline, with Fantasy Town and Fractured already showing promising results ahead of their launch in H2 2022.



On the flipside, due to the very strong performance of KingsIsle, we paid a total of USD 67 million in earn-outs and deferred fixed consideration in H1 2022. These payments increased our leverage to 3.7x currently which is above our mid-term target range of up to 3.0x. This leverage ratio does however not consider the full LTM EBITDA of AxesInMotion and Smaato. Based on the gradual phase-in of these earnings in combination with the positive free cash flow from our well-performing games and the growth and synergy potential on the media side leading to further EBITDA growth, we are confident to reduce our leverage ratio mid-term to below 3x again.

With our strong cash position of well over EUR 120 million cash on hand, the recently diversified bond maturities, our free cashflow and the ability to roll over the existing bondholders into a new bond, we do not see any refinancing risk on the horizon.

We have also been actively working on improving our governance. A Nomination Committee consisting of representatives of our largest shareholders, including Oaktree Capital, was formed in line with Swedish corporate government practice. At the beginning of June, the Nomination Committee announced its proposals for the AGM 2022, including the proposal to extend the Board from the current four to a total of six members. With Franca Ruhwedel, Mary Ann Halford and Johan Roslund, the Board will receive three new independent and experienced board members. The designated Board members bring explicit knowledge in the areas of capital markets, governance and accounting, as well as in the specific games and media industries. For technical reasons in connection with the relocation, which requires minimum publication periods, the AGM will take place later than usual, and has now been announced for September 15, 2022. The AGM will then decide on the relocation of the registered office to Sweden. With the relocation, and the expansion of the Board, as well as the further optimization of the internal controls and risk management systems, MGI is particularly well-positioned to navigate the current market environment.

We expect that a recession would also have an impact on the Company and could lead to a temporary slowdown in our growth due to decreasing advertising budgets. However, since we have a strong MMO portfolio that has proven to be resilient, or even growing, in such periods, we also have a natural hedge in our business model. In addition, we expect that we can profit from the recession-independent changes in the ad tech market and gain further market share.

We expect Apple to act against fingerprinting in the near future and Google's sandbox is expected to be rolled out in 2024. In a world without identifiers, other data protection compatible solutions will have to be found so that advertisers can target the right users. With our strong SDK base on the supply-side and contextual offerings such as ATOM, Moments A.I. and Dataseat, MGI is well-positioned to benefit from these developments. We as a Company have built our platform from the ground up for where the world will be as opposed to where it is now. Apart from our growth initiatives, we also have and will further concentrate on cost saving potentials, cost synergies and efficiency improvements, while further improving our competitive position.

I would like to thank our team as well as our partners and customers for their support and cooperation and am looking forward to further growth in the second half of 2022."

Remco Westermann

CEO & Chairman of the Board of MGI



FINANCIAL PERFORMANCE

CONSOLIDATED NET REVENUES, EARNINGS AND EXPENSES

THE SECOND QUARTER 2022

- **Net Revenues** amounted to 78.1 mEUR (Q2 2021: 57.1 mEUR), an increase of 37% compared to Q2 2021, where 18% was contributed by Organic Revenue Growth. The Company is proud to present strong Organic Revenue Growth despite the overall softening market environment that has been evident throughout Q2.
- **Adj. EBITDA** amounted to 21.1 mEUR (Q2 2021: 15.3 mEUR), an increase of 38%. Adj. EBITDA slightly outgrew revenue as the Company's profitability grew in line with revenues. While top-line and other income was positively impacted by USD FX, a relevant share of the Company's cost base is also based in the U.S., offsetting the effect to a large degree. The Company's revenue and cost structure is well-suited for natural hedging.
- **EBITDA Adjustments** amounted to 1.1 mEUR and were made largely for one-time costs and costs associated with the Relocation, new Governance procedures as well as the ESOP program.
- **Adj. EBITDA Margins** remained stable during the second quarter of 2022 at 27% (Q2'21: 27%).
- **EBITDA** amounted to 20.0 mEUR (Q2 2021: 14.5 mEUR), an increase of 38%.
- **EBITDA Margins** increased from 25% to 26% year-over-year.
- **Adj. EBIT** amounted to 16.4 mEUR (Q2 2021: 11.1 mEUR), an increase of 47%.
- **Adj. EBIT Margin** improved significantly to 21% (Q2 2021: 19%).
- **EBIT Adjustments** consist of the EBITDA adjustments mentioned above plus PPA amortization in the amount of 4.4 mEUR.
- **EBIT** increased to 12.0 mEUR (Q2 2021: 7.8 mEUR).
- **Adj. Net Result** amounted to 6.4 mEUR (Q2 2021: 5.9 mEUR), an increase of 7%.
- **The Net Result** amounted to 3.0 mEUR (Q2 2021: 3.4 mEUR), a decrease of 10% driven primarily by the increase in PPA amortization as well as increased financial expenses following the bond issues in 2021 and 2022.
- **Earnings Per Share (EPS)** undiluted / diluted amounted to EUR 0.02 (Q2 2021: undiluted / diluted EUR 0.02). EPS undiluted / diluted adjusted for PPA amortization amounted to EUR 0.04 (Q2 2021: undiluted / diluted EUR 0.04).

THE FIRST HALF OF 2022

- **Net Revenues** amounted to 143.9 mEUR (H1 2021: 109.0 mEUR), an increase of 32% compared to H1 2021.
- **Adj. EBITDA** amounted to 38.6 mEUR (H1 2021: 28.7 mEUR), an increase of 34%.
- **EBITDA Adjustments** amounted to 1.7 mEUR and were made largely for one-time costs and costs associated with the relocation, new governance procedures, as well as the ESOP program.
- **Adj. EBITDA Margins** increased by one percentage point during the first half of 2022 to 27% (H1 2021: 26%), driven by an overall improved profitability.
- **EBITDA** amounted to 36.9 mEUR (H1 2021: 26.6 mEUR), an increase of 39%.
- **EBITDA Margins** increased from 24% to 26%.
- **Adj. EBIT** amounted to 29.9 mEUR (H1 2021: 20.4 mEUR), an increase of 46%.
- **Adj. EBIT Margin** improved significantly to 21% (H1 2021: 19%).
- **EBIT Adjustments** consists of the EBITDA adjustments mentioned above plus PPA amortization in the amount of 8.2 mEUR.
- **EBIT** increased to 21.7 mEUR (H1 2021: 13.2 mEUR).
- **Adj. Net Result** amounted to 12.0 mEUR (H1 2021: 10.8 mEUR), an increase of 11%.
- **The Net Result** amounted to 5.6 mEUR (H1 2021: 5.6 mEUR) and therefore remained flat. The increase of EBITDA growth was largely offset by increased PPA amortization as well as financial expenses following the bond issues in 2021 and 2022.
- **Earnings Per Share (EPS)** undiluted / diluted amounted to EUR 0.04 (H1 2021: undiluted / diluted EUR 0.04). EPS undiluted / diluted adjusted for PPA-amortization amounted to EUR 0.08 (H1 2021: undiluted / diluted EUR 0.08).



CASH FLOW AND FINANCIAL POSITION

- **Operating Cashflow** before change in working capital amounted to 18.5 mEUR in Q2'22 (Q2'21: 15.9 mEUR), an increase of 17%. Operating Cashflow after change in working capital amounted to 21.3 mEUR in Q2'22 (Q2'21: 7.2 mEUR), an increase of 197%. The positive Cashflow from working capital is driven by strong collection of receivables during the quarter.
- **The Equity Ratio** increased to 34% modestly as of June 30, 2022 (December 31, 2021: 33%) driven by operational profitability as well as the positive net results during the first quarter of 2022.
- **Cash and Cash Equivalents** amounted to 125.4 mEUR as of June 30, 2022, compared to 180.2 mEUR as of December 31, 2021. This decrease was primarily due to the last deferred consideration and last earn-out payment related to the KingsIsle acquisition achieving certain revenue targets as well as the initial purchase price payment of AxesInMotion.
- **Net Interest-Bearing Debt** as of June 30, 2022, amounted to 298.8 mEUR (December 31, 2021: 198.6 mEUR). The increase is primarily due to the cash-out of the last fixed consideration and last earn-out payments related to the KingsIsle acquisition.
- **The Leverage Ratio** amounted to 3.7x as of June 30, 2022 (2.8x as of December 31, 2021) and increased. At the end of Q2 2022, this ratio includes ten months of Smaato as well as 2 months of AxesInMotion EBITDA and is therefore overstated. Mid-term, the company intends to de-lever to below 3.0x again to meet its mid-term financial targets.
- **Interest Coverage Ratio** was 3.9x as of June 30, 2022, compared to 4.7x as of December 31, 2021, and was reduced due an increase in interest payments in relation to the bond issue. However, similarly to the leverage ratio, the interest coverage ratio only includes ten months of Smaato as well as only 2 months of AxesInMotion EBITDA.

INTANGIBLE ASSETS, INVESTMENTS AND DEPRECIATION

- **Capitalized Own Work** in the second quarter 2022 amounted to 6.6 mEUR (Q2 2021: 5.5 mEUR) and included investments in the optimization and further development of the IT platforms on both the demand- and supply-side. This also included investments in sequels and substantial updates to the first-party games content. While the total investments have grown in line with the increasing number of substantial growth initiatives, they decreased as a percentage of net revenues (8% in Q2 2022 vs 10% in Q2 2021), signaling the capital efficient development of IP in-house.
- **Depreciation and Amortization** in the second quarter 2022 amounted to 8.1 mEUR (Q2 2021: 6.7 mEUR) and increased primarily due to additional PPA depreciation driven by the acquisition of Smaato and AxesInMotion, which added substantially to the asset base.



BUSINESS UPDATE

MGI IS ADDING 25 NEW SOFTWARE CLIENTS TO ITS PORTFOLIO

During the second quarter of 2022, MGI added a total of 25 new software clients to its software client base. The intake of new software clients in the second quarter was a key factor driving Organic Revenue Growth. Attracting new clients has been becoming increasingly important as due to softening market conditions revenue with existing customers has rather been stagnant throughout the past quarter.

MGI'S VERVE PARTNERS WITH GETTY IMAGES TO ENHANCE CONTEXTUAL TARGETING

MGI's Verve Group, in partnership with Getty Images, announced the launch of Visual Intent, a new offering that allows brands to engage consumers in highly desired cultural, sports and entertainment-focused moments across the open internet. Verve Group is the first global data platform to directly enable advertising next to visual content from Getty Images, solidifying its position as a prominent and trusted partner in the space of visual contextual targeting.

Visual Intent combines Getty Images' imagery and metadata with Verve Group's Moments.AI™, the company's next-generation contextual marketing platform. Being industry first, this integration will allow marketers to target relevant, brand-safe content in real-time with advertising placed adjacent to owned visual content from Getty Images.

With a high level of targeting precision, brands can maximize outcomes on Moments.AI™ by reaching relevant audiences within milliseconds, and, most importantly, without the use of cookies or any identifiers. Brands can further benefit from the recency of data on the platform, giving them the ability to capture consumer attention, emotion, and intent in moments that matter the most. Having access to real-time audience data also allows for tailored targeting to achieve either branding goals to raise awareness, deliver performance goals or maximize outcomes.

Visual Intent is currently available via Moments.AI™ in the U.S., U.K. and the rest of EMEA. Interested buyers can easily activate the related segments by scheduling campaigns via their preferred demand-side platforms.

SUCCESSFUL REACTIVATION OF GAMES AUDIENCES THROUGH CONNECTED TV

MGI successfully piloted innovative re-engagement campaigns for console gamers via Connected TV (CTV) through its Ad-Software Platform, with very good results. Overall, 34% lower Costs Per Mille (CPM) and 12x higher conversion rates compared to other available channels were achieved. The product unlocks remarkable Customer Lifetime Value and Enterprise Value of gaming companies.

The unique MGI-product-offering is expected to further strengthen and grow the Company's position in CTV, a substantial market that, according to eMarketer, grew 71% in the U.S. in 2021 and is expected to grow a further 75% in 2022.

Following up on those promising test results, MGI intends to expand the offering to desktop gamers as well as mobile advertisers to improve performance campaign KPIs by coupling them with CTV. The announcement comes on the heels of similar innovations from MGI made possible by the Company's proven buy-and-build strategy to facilitate long-term organic growth. MGI remains committed to providing premier solutions for advertisers and publishers navigating the industry's most pressing challenges.

FRACTURED ONLINE: CLOSED BETA, FREE WEEK, THE ROADMAP AND FEATURE SPOTLIGHTS

With the start of the Closed Beta in early April, players around the world can now experience the first truly dynamic isometric open-world MMORPG at any time with 24/7 server access. Players are able to explore the new continent of Aerhen, where humans largely preside, and unique biomes will push players' survival instincts to the max. MGI then unveiled the roadmap which highlights key moments in the title's development leading up to its launch this winter. In May, players could play the MMO for free for a whole week without any restrictions. To commemorate the free week, MGI released an artwork trailer that shows off some exciting imagery along with an equally exciting voiceover track that helped bring players closer to the world of Fractured Online.



FANTASY TOWN: SOFT LAUNCH, PRE-REGISTRATION AND RELEASE DATE ANNOUNCED

In April, players in Spain and the Nordic regions could start enjoying the title's vibrant mix of exploration, RPG and adventure game mechanics while working to build their own thriving town as part of the soft launch in these regions. This was followed in May by the announcement of the availability of pre-registration on Google Play and the game's website. As more players pre-registered, more in-game rewards were unlocked, which should make it easier to produce and farm crops, trade goods, explore and defend citizens from evil Trolls. At the end of the second quarter, the launch date (July 18) was announced for this highly anticipated mobile simulation farming game on iOS and Android.

TROVE NEW SEASONAL EVENTS

In the second quarter 2022, Trove celebrated several seasonal events, starting with the Easter-themed Bunfest in April where players had to complete quests for new NPCs, uncover hidden eggs of all shapes and sizes and fight off shadow bunnies. Trove's Spring Fling event announced that spring had officially sprung in Trove and it marked the return of Sir Dapper Duckington Esquire and amongst other things a new pack featuring all player-made content. The Splendid Summer event offered brand-new rewards including new mounts, skins, and allies. This was topped by the largest content update for Trove for several years, the Sunrise update, which included the new Solarion class, the new Sundered Uplands biome, Ultimate Bosses in new 5 Star Dungeons, and much more.

WIZARD101'S EUROPEAN PLAYERS CAME HOME AND NEW PVP IN SPRING UPDATE FOR US PLAYERS

European Wizard101 services transitioned from Gameforge to MGI on May 16, 2022. After transferring their accounts, players in EU will be able to experience new updates at a much faster rate to ultimately sync up closer with their North American counterparts.

The highly anticipated spring update for the U.S. version of Wizard101 introduced a new season-based PvP System: U.S.-based Wizards can now experience a completely revamped PvP system with new spells to make PvP a more approachable experience, different types of League play and iconic rewards.

OTHER

Several other events took place in other gamigo games, from Easter-themed events in Grand Fantasia and Fiesta Online to new content updates for RIFT and Aura Kingdom.

CORPORATE EVENTS

MGI SHARES NOW TRADING ON OTCQX UNDER THE TICKER "MDGIF"

On April 20, 2022, MGI was welcomed by OTC Markets Group and is now trading on the OTCQX in the U.S., an important step for MGI into the U.S. capital markets which helps the Company improve access for U.S. investors to MGI shares. OTC Markets Group is an operator of regulated markets for trading 12,000 U.S. and international securities providing international companies with the opportunity to make their shares more easily accessible to U.S. investors. U.S. investors can now find the current financial disclosures and real-time level 2 quotes for MGI on www.otcmarkets.com. Trading on OTCQX marks an important step for MGI in providing more transparent trading and tapping demand from U.S. investors.

ACQUISITION OF AXES IN MOTION

MGI successfully acquired 100 percent of the shares in AxesInMotion S.L. (AxesInMotion) on May 11, 2022. AxesInMotion, established in 2014 and based in Seville, Spain, is a leading free-to-play mobile games developer with a strong portfolio of visually stunning racing games that have generated over 800 million downloads worldwide. The company's portfolio of high-quality racing games generates 87% of the revenues via in-game advertising, with the U.S. being the strongest market, accounting for approximately 33% of revenues. For further details on the transaction, please see Note 2 below.

DIRECTED SHARE ISSUE OF SEK 300M SEK TO PARTLY FINANCE THE AXESINMOTION ACQUISITION

MGI successfully completed the book-building of a directed share issue of 9,569,378 new ordinary A shares on April 28, 2022. The subscription price in the Directed Share Issue is SEK 31.35 per share and has been determined through an accelerated book-building procedure led by Swedbank in cooperation with Kepler Cheuvreux. The Directed Share Issue was oversubscribed. The investors in the Directed Share Issue consist of a number of Swedish and international institutional investors, including the Company's largest institutional shareholder Oaktree Capital Management LLP. Through the Directed Share Issue, MGI has received gross proceeds amounting to approximately SEK 300 million.

After the completion of the Directed Share Issue, the number of outstanding ordinary A shares increased from EUR 149,679,980 – by EUR 9,569,378 – to EUR 159,249,358, which is a dilution for existing shareholders of approximately 6 per cent of the number of outstanding ordinary A shares and votes in the Company.

MGI SUCCESSFULLY PLACES EUR 175 MILLION OF NEW SENIOR SECURED BONDS AND REPURCHASES EUR 115 MILLION OF EXISTING SENIOR SECURED BONDS

MGI has, following a book building process, successfully placed new senior secured floating rate callable bonds (ISIN SE0015194527) on June 9, 2022. The transaction was well received by the market generating strong demand from primarily institutional investors based in the Nordics, continental Europe, North America and Asia, ultimately allowing the bonds to be priced at 98.00% of par with a floating rate coupon of EURIBOR (floored at zero) plus 6.25%.

As previously announced, the Company offered a partial buy-back to the holders of MGI's outstanding senior secured floating rate bonds maturing on November 27, 2024 with ISIN SE0015194527 (the "Existing Bonds") in connection with the Bond Issue (the "Buy-Back"). Existing Bonds in an aggregate nominal amount of EUR 115,000,000 was repurchased by the Company in the Buy-Back.



SUSTAINABILITY UPDATE

PROPOSAL FROM MGI'S NOMINATION COMMITTEE PUBLISHED

Beginning in June 2022, the Nomination Committee of MGI published its proposal for the Board of Directors to be elected by the Company's next Annual General Meeting. The Nomination Committee proposes the expansion of the Board to six members in order to reflect the growth of MGI during the past few years.

Current Board members Remco Westermann, Tobias M. Weitzel and Elizabeth Para are proposed for re-election. Johan Roslund, Mary Ann Halford and Franca Ruhwedel are proposed as new members of the Board. Tobias M. Weitzel is proposed for the election of the new Chairman of the Board of Directors, separating the roles of Chairman and CEO (both Remco Westermann as of today). Such separation is in line with the Swedish Governance Code the company intends to comply with even before concluding its relocation from Malta to Sweden.

Five of the six proposed members, including the proposed new Chairman of the Board, are independent in relation to the Company's management and major owners. The proposal also considers adequate gender distribution with three of the Board's total six members being women. The proposed expansion of the Board will lay the foundation to bring additional expertise to the Board and enable the implementation of Board Committees following the next AGM.

Franca Ruhwedel is an experienced Board member and has chaired several audit committees. She has a broad sector knowledge and a strong background in finance and accounting. In addition to her expertise in finance and accounting, she brings proven experience in corporate governance and compliance as well as extensive experience with the requirements of both publicly listed and private equity backed companies to the MGI Board.

Johan Roslund has broad experience in the Swedish capital market, both as a Board member of listed companies such as Nordic Asia Investment Group as well as a fund manager at GP Bullhound or as Chairman of the Asset Management Committee at Aktiespararna. Johan brings together the needs of companies as well as institutional and private shareholders and combines this with a deep knowledge of the Swedish capital market and the Swedish governance structures.

Mary Ann Halford is a true industry veteran with over 25 years of experience in actively building businesses in the media and entertainment industry in the U.S. and internationally. Mary Ann has worked as both an operator and a consultant/advisor globally. Mary Ann brings a wealth of experience and a broad network in the international and especially the North American media market, the core market of MGI's ad software platform, and thus brings valuable experience and knowledge of the media sector and the U.S. market to the Board.

GAMIGO TAKES PART IN THE GREEN GAMES JAM

During the second quarter MGI, via its game Trove, participated in the Green Games Jam, organized by the Playing for the Planet Alliance of which MGI (via Gamigo) has been a member since the beginning of the year. This year's topics of the Green Games Jam are reforestation and more sustainable food choices. Trove picked reforestation and built a mount and a tree pet that would join players on their adventures. During the month-long event *Grovin' and Trovin'* players were encouraged to plant 1,000,000 in-game trees during the event. The goal was successfully completed by Trove players and all players received an exclusive "Sapling Sower" as a thank you gift.



GUIDANCE FOR FINANCIAL YEAR 2022

On February 28, 2022 Media and Games Invest SE published its guidance for the financial year 2022:

	FY 2021 (A)	Guidance 2022
Revenue (in €m)	252	290 - 310¹
Growth	80%	15 - 23%
Adj. EBITDA (in €m)	71	80 - 90
Growth	143%	13 - 27%

On April 28, 2022 Media and Games Invest SE published its updated guidance for the financial year 2022 taking into consideration the acquisition of AxesInMotion:

	FY 2021 (A)	Updated Guidance 2022 incl. AxesInMotion
Revenue (in €m)	252	295 - 315¹
Growth	80%	17 - 25%
Adj. EBITDA (in €m)	71	83 - 93
Growth	143%	17 - 31%

Note: (1) takes into account the discontinuance of MGI's affiliate and influencer marketing business with a negative revenue impact of c. EUR 20 million.

EVENTS AFTER JUNE 30, 2022

ACQUISITION OF DATASEAT

On July 5, 2022, MGI acquired Dataseat, an innovative mobile demand-side platform specialized in contextual user acquisition. Dataseat is specifically focused on supporting mid-to-large-sized gaming companies by using contextual signals, without any reliance on device IDs or other user profiling. Dataseat gives advertisers full control, transparency and adaptability over their campaigns in a world where identifiers such as IDFA are deprecated. Dataseat relies on artificial intelligence to optimize campaigns by fully using contextual signals, eliminating the need for a third-party identifier.

Founded in 2018, Dataseat is a DSP start-up with a small team of 25 employees, that already has shown strong organic growth. Revenues for 2022 are expected to be in the mid-single digit million range (GBP) and for 2022 management expects Dataseat to reach breakeven on an EBITDA level, whereas the plan is to further invest in growth and speed up growth and scaling. The purchase price consists of (i) a fixed component in the high single-digit GBP million range, (ii) a conditional deferred purchase price linked to the retention of the founders, as well as (iii) a long-term performance-based earn-out component. The fixed upfront component will be paid in cash, while the deferred as well as the earn-out components can be paid in either cash or shares. In case the deferred payment is made in cash, the payment will occur in 18 months following closing, and in all other cases, which includes deferred and earn-out components, the payments will occur in 36 months. The parties have agreed not to disclose further details of the purchase price. At the time the consolidated financial statements were drawn up, a large number of MGI group's employees were involved in integrating them into the group and analyzing and evaluating the assets and liabilities acquired.

ANNUAL GENERAL MEETING 2022

On July 15, 2022 MGI published the Notice & Agenda for its Annual General Meeting - 2022 ("AGM") and announced that the AGM will be held on the September 15, 2022 at 10:00 (CEST).

A precondition for publishing the AGM Notice and Agenda and announcing the AGM – 2022 date, was the review and publishing of the Transfer Report and Transfer Proposal (the "Transfer Documents"), which provide the necessary details in relation to the relocation of the Company to Sweden, by the Malta Business Registry ("MBR").

The Notice and Agenda includes further agenda points for the AGM, relating to the relocation of MGI to Sweden, amongst other matters. A prerequisite to the shareholders voting on the transfer of the registered office of MGI at the AGM, is that the Transfer Documents prepared by the Company, are approved and published by the MBR at least 60 days prior to the AGM. The Transfer Documents were published by the MBR on its website on the July 8, 2022.

The Notice & Agenda, Transfer Documents and all other relevant documents for the AGM, can be accessed on MGI's website at <https://mgi-se.com/annual-general-meeting-2022/>.

In order to attend the AGM, shareholders must follow the instructions and deadlines outlined in the Notice & Agenda for the Annual General Meeting - 2022.

CONDENSED CONSOLIDATED STATEMENT OF INCOME, MGI GROUP
 (unaudited)

in kEUR	Notes	Q2 2022	Q2 2021	H1 2022	H1 2021	FY 2021
Revenues						
Net revenues	9	78,059	57,115	143,930	109,045	252,166
Own work capitalized		6,609	5,479	13,133	10,560	22,851
Other operating income		6,502	1,944	11,682	3,057	8,626
Total Income		91,170	64,538	168,744	122,663	283,643
Operating Expenses						
Services purchased & other operating expenses	10	-53,655	-36,927	-97,039	-69,226	-162,623
Personnel expenses	11	-17,475	-13,072	-34,793	-26,806	-55,978
Total operating expenses		-71,130	-49,999	-131,833	-96,032	-218,601
EBITDA		20,039	14,539	36,911	26,631	65,042
Depreciation and amortization	12	-8,069	-6,746	-15,163	-13,446	-28,238
Thereof: PPA Amortization		-3,332	-2,574	-6,459	-5,148	-11,964
EBIT		11,971	7,793	21,749	13,185	36,804
Financial result		-7,735	-4,559	-14,365	-6,699	-21,919
EBT		4,235	3,234	7,384	6,487	14,886
Income Taxes		-1,204	120	-1,810	-840	1,169
Net Result		3,031	3,354	5,573	5,646	16,055
of which attributable to non-controlling interest		-17	1	-14	3	-7
of which attributable to shareholders of parent company		3,048	3,352	5,587	5,643	16,061
Add-back of PPA Amortization		3,332	2,574	6,459	5,148	11,964
Adj. Net Result		6,364	5,927	12,033	10,794	28,019
Earnings per share						
Undiluted		0.02	0.02	0.04	0.04	0.11
Diluted		0.02	0.02	0.04	0.04	0.11
Undiluted (adjusted)		0.04	0.04	0.08	0.08	0.20
Diluted (adjusted)		0.04	0.04	0.08	0.08	0.20
Average number of shares						
Undiluted		156,410	141,630	153,064	133,613	141,712
Diluted		156,410	141,630	153,064	133,613	141,712

Note: numbers may not add up due to rounding

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME, MGI GROUP
 (unaudited)

in kEUR	Q2 2022	Q2 2021	H1 2022	H1 2021	FY 2021
Consolidated profit	3,031	3,354	5,573	5,646	16,055
<i>Items that will be reclassified subsequently to profit and loss under certain conditions:</i>					
Exchange differences on translating foreign operations	20,898	-2,408	25,798	988	7,322
Gain / Loss of financial assets	-3,853	0	-13,447	0	-2,141
Other comprehensive income, net of income tax	17,045	-2,408	12,302	988	5,181
Total comprehensive income	20,076	946	17,924	6,634	21,236
<i>Attributable to:</i>					
Owners of the Company	20,093	944	17,938	6,631	21,242
Non-controlling interests	-17	1	-14	3	-7

Note: numbers may not add up due to rounding

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION, MGI GROUP
 (unaudited)

in kEUR	Note	30 Jun 2022	31 Dec 2022
Intangible assets	4, 5	790,355	605,746
Property, plant and equipment		7,157	4,681
Financial assets and other assets		22,507	40,068
Long-term assets		820,020	650,495
Trade and other receivables		96,800	103,442
Cash and cash equivalents		125,397	180,156
Short-term assets		222,197	283,598
Total assets		1,042,217	934,093
Equity attributable to shareholders of the parent company	8	353,633	307,434
Non-controlling interest		-1,214	59
Total Equity		352,419	307,493
Long-term liabilities	6	484,882	383,168
Short-term liabilities	7	204,915	243,432
Total liabilities and equity		1,042,217	934,093

Note: numbers may not add up due to rounding

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY, MGI GROUP
 (unaudited)

	Common stock	Share Premium	Capital reserves	Retained earnings incl. Profit of the year	Amounts recognised directly in equity	Shareholders' equity attributable to owners of the parent	Non-controlling interests	Total shareholders' equity	
	Shares thousands	Amount kEUR	Amount kEUR	Amount kEUR	Amount kEUR	Amount kEUR	Amount kEUR	Amount kEUR	
Balance at 1 January 2021	117,074	117,074	7,839	49,466	5,617	-3,211	176,785	60	176,845
Consolidated profit					5,643		5,643	3	5,646
Other comprehensive income					988		988		988
Total comprehensive income					11,260	-2,222	183,417	63	183,479
Capital increases	32,606	32,606	76,732				109,338		109,338
Disposal of subsidiaries							116		116
Balance at 30 June 2021	149,680	149,680	84,571	49,466	11,260	-2,222	292,754	180	292,934
Balance at 1 July 2021	149,680	149,680	84,571	49,466	11,260	-2,222	292,754	180	292,934
Consolidated profit					10,418		10,418	-9	10,409
Other comprehensive income					4,193		4,193		4,193
Total comprehensive income					21,678	1,970	307,364	170	307,535
Disposal of subsidiaries							-111		-111
Other Equity reserves regarding IFRS 2				3,675			3,675		3,675
Other Equity reserves					-3,607		-3,607		-3,607
Balance at 31 December 2021	149,680	149,680	84,571	53,141	21,678	-1,637	307,434	59	307,493
Balance at 1 January 2022	149,680	149,680	84,571	53,141	21,678	-1,637	307,434	59	307,493
Consolidated profit					5,587		5,587	-14	5,573
Other comprehensive income					12,351		12,351		12,351
Total comprehensive income					27,265	10,714	325,372	45	325,417
Capital increases	9,569	9,569	18,947				28,516		28,516
Addition of non-controlling interests due to acquisition of projects							-1,259		-1,259
Other Equity reserves regarding IFRS 2				-255			-255		-255
Balance at 30 June 2022	159,250	159,250	103,518	52,886	27,265	10,713	353,633	-1,214	352,419

CONDENSED CONSOLIDATED CASH FLOW STATEMENT, MGI GROUP

(unaudited)

in kEUR	Notes	Q2 2022	Q2 2021	H1 2022	H1 2021	FY 2021
Cash flow from operating activities (before change in WC)		18,532	15,864	34,308	27,004	70,556
Change in working capital		2,815	-8,678	3,336	-8,555	-5,714
Cash flow from operating activities		21,347	7,186	37,644	18,450	64,842
Cash flow from investing activities		-116,574	-28,718	-149,433	-99,719	-295,634
Cash flow from financing activities		92,988	215,978	57,030	281,112	364,694
Cash flow for the period		-2,239	194,447	-54,759	199,843	133,902
Cash and cash equivalents at the beginning of the period		127,635	51,650	180,156	46,254	46,254
Cash and cash equivalents at the end of the period		125,397	246,097	125,397	246,097	180,156

Note: numbers may not add up due to rounding.

SELECTED EXPLANATORY NOTES (UNAUDITED)

NOTE 1 BASIS OF PREPARATION

The financial information presented in this report has been prepared using accounting policies consistent with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and as set out in the Company's annual financial statements in respect of the year ended December 31, 2021 except as noted. The financial information does not include all the information and disclosures required in the annual financial statements.

The consolidation scope of the unaudited condensed consolidated financial statements as of June 30, 2022 changed compared to the audited consolidated financial statements as of December 31, 2021, for the following transactions and entities:

- Q2 2022: Incorporation of Gamigo Spain Holding S.L. and the subsequent acquisition of AxesInMotion S.L.
- Q2 2022: Acquisition of additional 12% of PT Portal Bursa Digital, a subsidiary of Smaato Inc. shareholdings increase from 38% to 50%.
- Q2 2022: Incorporation of MGI Corporate GmbH, as service entity for the MGI Group.
- Q2 2022: Merger of Vene International GmbH, MHF Media GmbH, Lorena Medienagentur GmbH to ME Digital GmbH for reducing complexity in the group structure.
- Q2 2022: Liquidation of Platform 161 Nordics AB and Clickdistrict Spain S.L. for reducing complexity and being more cost efficient. Business moved to Verve DSP B.V.

NOTE 2 ACQUISITION OF BUSINESSES

On April 28, 2022, MGI acquired AxesInMotion S.L. (AxesInMotion), a leading free-to-play mobile games developer with a strong portfolio of visually stunning racing games that have generated over 700 million downloads worldwide. The company has amassed a portfolio of high-quality racing games, with 87% of the revenues being generated via in-game advertising, with the U.S. being the strongest market, accounting for app. 33% of revenues. The parties have agreed to a fixed purchase price of EUR 55 million (the "Fixed Consideration"), plus up to EUR 110 million that may be paid to the sellers as earn-out payments (the "Earn-out Consideration"), depending on EBITDA performance compared to the business plan until the end of 2024 (together the "Total Consideration"). EUR 50 million of the cash and debt free fixed purchase price will be paid at closing and EUR 5 million 12 months post-closing. The Total Consideration shall be paid in cash.

For the purchase price allocation MGI engaged EY (Ernst & Young GmbH) for preparing an independent purchase price allocation report for identifying acquired tangible and intangible assets and liabilities of AxesInMotion. The share deal of AxesInMotion is a business combination within the meaning of IFRS 3 Business Combinations. They provided estimates of fair value for those assets and liabilities, as defined below, as of valuation date May 1, 2022. A business plan of AxesInMotion was used by the management to derive the purchase price offer and was shared with EY for the purchase price allocation (PPA). The report differentiates between intangible assets and property, plant and equipment. As intangible assets were identified and valued: the Games IPs which amounted to k EUR 6,819 and customer relationships with an amount of k EUR 2,315.

The amounts stated for the identifiable assets acquired and liabilities assumed are shown in the following table:

in k EUR	
Identifiable intangible assets	141,662
Property, plant and equipment	119
Current assets	10,362
Current liabilities and provisions	-10,847
Deferred tax liabilities	-349
Total identifiable net assets at fair value	140,947
Total consideration	
Fulfilled by:	
Consideration transferred including loans	150,280
Cash at bank – received	-9,333
Total consideration transferred	140,947

In accordance with IFRS 3 Business Combinations, an acquiring entity shall allocate the cost of the acquired assets and assumed liabilities based on their fair values of all assets and liabilities as of acquisition date. If the consideration transferred is higher than the fair value of net assets acquired, this difference is accounted for as goodwill. Goodwill recognized from the acquisition of AxesInMotion amounted to k EUR 132,528. The trade receivables and received cash have a book value of k EUR 10,362. The purchase price of AxesInMotion was k EUR 140,947 whereof k EUR 79,779 of the consideration transferred contains the fair value of the earn-out agreements as at the valuation date.

NOTE 3 SEGMENT INFORMATION

a) Products and services from which reportable segments derive their revenues

Under IFRS 8, on the basis of the internal reporting, operating segments are to be defined across group divisions that are subject to a regular review by the Chief Operating Decision Maker of the Company with respect to decisions on the allocation of resources to these segments and the assessment of segment performance. Information reported to the Chief Operating Decision Maker for the purposes of resource allocation and assessment of segment performance is focused on the two segments of Demand Side Platform (DSP) and Supply Side Platform (SSP). Following the transformation from a games company towards an Advertising Software Platform with strong access to first party data from own games the segment reporting has been changed to reflect the new structure of the Company. The Demand Side Platforms which were based within the Media Segment have been moved into the new DSP Segment while the Supply Side Platforms as well as the own games content which is integrated into the Supply Side Platforms create since January 1, 2022 the SSP Segment.

Description of the advertising value chain and segment reporting

In the digital advertising market, with its rapid pace of innovation, there exist many players and roles. Within the programmatic advertising industry there are currently two key categories:

- a) **Demand Side Platforms (DSP):** Which bundle the demand from advertisers and agencies for new users within the Demand Side Platform.
- b) **Supply Side Platforms (SSP):** Which bundle integrations with first- and third-party publishers that are integrated within Supply Side Platforms (SSP) to monetize the advertising space in their content.

Starting from the advertiser's point of view, the first station in the online advertising services industry is, depending on the degree of outsourcing needs, an agency or trade desk. The services of an agency comprise creating, planning and execution of advertising campaigns. Large advertising agencies such as WPP offer a full-service package, allowing an advertiser to completely outsource advertising-related activities.

The next step in the value chain and a necessary function in programmatic advertising is a Demand Side Platform (DSP). A DSP bundles the demand of advertising buyers and enriches it with specific data to be able to match the advertising content most efficiently with advertising inventory. An example of a DSP is the company the Trade Desk, or within MGI, Verve DSP.

The counterpart of a DSP is a Supply Side Platform (SSP). An SSP bundles the supply of advertising space from publishers including specific information about the characteristics of the available advertising inventory. Large networks such as Google or MGI have their own SSPs, but there are also several independent players such as Fyber or PubMatic, who are trying to maximize ad space yields. An advertising exchange sometimes sits between DSPs and SSPs and acts as a marketplace for both the supply and demand of advertising space. Often, this is an automated process in the form of real time bidding (RTB). However, the focus of DSPs, SSPs and ad-exchanges are somewhat blurred (as is the case of MGI where advertising is sometimes conducted through the Verve DSP, which might connect directly with an SSP), while certain publishers negotiate a campaign and its pricing directly with advertisers.

At the other end of the value chain is the publisher, the owner of a medium or media platform wishing to sell its advertising inventory. At this point, the advertisement reaches its audience. Prominent examples include Zynga, King or Embracer, or in the case of MGI, gamigo, WildTangent and AxesInMotion, which are in charge of MGI's games inventory (i.e. games IP's, audiences and platforms).

DSP Segment

MGI's Demand Side Platform enables advertisers to drive user acquisition campaigns across the open internet. Through our self-service, cloud-based platform, advertisers can create, manage and optimize data-driven digital advertising campaigns across all relevant ad formats and channels (including e.g. display, native and video) and devices (mobile, desktop, digital out-of-home and connected TV). Based on our vertical infrastructure approach, our Demand Side Platform is integrated with our Supply Side Platform (SSP) which provides access to major first- and third-party inventory from publishers. Our first-party inventory mainly relates to advertising space in casual games from various acquisitions carried out since 2012. The combination of owned content and third-party content provides advertisers a global reach and a broad set of audience data which results in very strong targeting capabilities for their user acquisition campaigns.

Our clients on the demand side are primarily large brands from Fortune 500 Companies as well as agencies such as WPP or Mediocom, which manage the budgets of large advertisers. Our Demand Side Platform generates revenue by charging usage-based fees based on a percentage of a client's total spend on advertising. With products like ATOM or Moments.AI, MGI's platform offers value-added services which provide targeting solutions to advertisers in a world without identifiers and cookies.

The DSP segment contains the acquired Demand Side Platforms including Verve DSP (formerly known as Platform161), VGI CTV (formerly known as LKQD), Match2One and Adspree Media, which were allocated previously to the Media Segment.

SSP Segment

MGI's Supply Side Platform helps publishers and its own games studios to monetize their ad inventory / ad spaces while keeping full control over it. Publishers connect to the SSP by integrating our SDKs into their content. Connected to our own Demand Side Platform, as well as third-party Demand Side Partners, we enable marketers to drive return on their ad spent and reach addressable audiences across all relevant ad formats, channels and devices. Our infrastructure approach allows for an efficient processing and utilization of data in real time leading to a superior monetization for publishers by increasing the value of an impression and by providing incremental demand through our own DSP and through our well-established relationships with more than 5,000 advertisers and well over 80 third-party DSPs. Publishers can then sell their ad inventory to advertisers using real-time bidding techniques. Through Verve's powerful data enrichment engine, users of apps are segmented in a privacy-compliant manner. As a result, advertisers who consider the user most valuable based on the segmentation will bid the most for the ad space. In this way, the advertising space can be sold by publishers in the most efficient and profitable way.

Our clients on the supply-side are primarily publishers and app developers that allow us to directly integrate with their apps, maximizing automation and sales efficiency of ad inventory. In addition, the SSP Segment also includes the own games studios which provide first-party data and in-game advertising spaces. A smaller portion of the revenues in this segment is generated directly with consumers from in-game item sales and game subscriptions. The majority of the revenues are generated by usage-based platform fees based on a percentage of a client's total supply revenues.

The SSP segment contains amongst others the acquired Supply Side Platforms including Smaato and Pubnative (previously allocated to the Media Segment) as well as the Games Companies KingsIsle, WildTangent and TrionWorlds (previously allocated to the Games Segment).

b) Segment revenues and segment results

	DSP	SSP	CONSOLIDATED
in k EUR	30-Jun-22	30-Jun-22	30-Jun-22
Revenues	12,307	131,623	143,930
EBITDA	744	36,167	36,911
Depreciation and amortization			-15,163
Financing income			84
Financing expenses			-14,449
Earnings before taxes (EBT)			7,384
Income taxes			-1,810
Net result from continuing operations			5,573

	DSP	SSP	CONSOLIDATED
in k EUR	30-Jun-21	30-Jun-21	30-Jun-21
Revenues	7,303	101,742	109,045
EBITDA	926	25,705	26,631
Depreciation and amortization			-13,446
Financing income			777
Financing expenses			-7,476
Earnings before taxes (EBT)			6,486
Income taxes			-840
Net result from continuing operations			5,646

The Company does not use geographical information for purposes of internal controlling nor for management reports. A separate collection of such data would result in disproportional costs.

Due to the structure of customers in the DSP and SSP segment, there are no customers that constitute a proportion of more than 10 percent of the Company's revenues. The software clients of both segment in general are characterized by a large number of Fortune 500 customers. There are no customers that are responsible for more than 10 percent of the Company's revenues.

The accounting policies of the reportable segments correspond to the Company's accounting policies described above. The segment result represents the result that each segment generates with allocation of the share of the central administrative costs including the remuneration of the Governing Board. The segment results are reported to the Company's Chief Operating Decision Maker for the purpose of resource allocation to the segments and the assessment of segment

performance.

c) Segment assets

in k EUR	30-Jun-22	31-Dec-21
DSP	43,593	45,684
SSP	998,624	888,409
Consolidated total segment assets	1,042,217	934,093

For the purpose of monitoring segment performance and allocating resources to segments, the Company's Chief Operating Decision Maker monitors the tangible, intangible and financial assets attributable to the individual segments. All assets including goodwill are allocated to the reportable segments.

NOTE 4 INTANGIBLE ASSETS INCLUDING ACQUISITIONS

The change in Goodwill in H1 2022 is mainly related to the acquisition of AxesInMotion. Other Intangible Assets includes acquired intangible assets from business combination, self-developed intangible assets, IPs, licenses and advanced payments on licenses due to acquisitions and the in-house development of the games and AdTech platforms.

	30-Jun-22	31-Dec-21
Goodwill	567,845	411,992
Other Intangibles	222,511	193,754

NOTE 5 DISPOSALS

There were no material sales or disposals in H1 2022.

NOTE 6 LONG-TERM LIABILITIES

As of June 30, 2022, the long-term liabilities of MGI increased by k EUR 101,714 to k EUR 484,882 (December 31, 2021: k EUR 383,168) based on the further bond issue as well as on the earn-out liabilities related to the AxesInMotion Acquisition.

NOTE 7 SHORT-TERM LIABILITIES

The short-term liabilities of MGI decreased by k EUR 38,517 on June 30, 2022 to k EUR 204,915 compared to k EUR 243,432 on December 31, 2021, mainly affected by the final KingsIsle earn-out and fixed deferred purchase price payments.

NOTE 8 SHAREHOLDERS' EQUITY

As of June 30, 2022, the total shareholders' equity slightly increased to k EUR 352,419 (December 31, 2021: k EUR 307,493) driven by the capital increase performed in May 2022. The subscribed capital of MGI increased by k EUR 9,569 to k EUR 159,249 (December 31, 2021: k EUR 149,680).

No dividends were paid in H1 2022.

NOTE 9 NET REVENUES

MGI achieved in Q2 2022 a net revenue of k EUR 78,059 (Q2 2021: k EUR 57,115). The increase of k EUR 20,944 was due to organic growth as well as the additional revenues from M&A of Smaato, Match2One and AxesInMotion.

NOTE 10 SERVICES PURCHASED & OTHER OPERATING EXPENSES

For Q2 2022, MGI disclosed services purchased and other operating expenses of kEUR 53,655 (Q2 2021: k EUR 36,927). The increase of k EUR 16,728 is a result of the increased operations of the Company due to organic and M&A driven revenue growth.

NOTE 11 PERSONNEL EXPENSES

In Q2 2022, the personnel expenses increased by k EUR 4,404 to k EUR 17,475 (Q2 2021: k EUR 13,072). This increase is largely driven by the acquired employees of Smaato, Match2One and AxesInMotion which have not been part of the Company in the same period in the previous year.

NOTE 12 DEPRECIATION, AMORTIZATION AND WRITE-DOWNS

Depreciation, amortization and write-downs amounted in Q2 2022 to k EUR 8,069 (Q2 2021: k EUR 6,746). The increase is mainly due to additional PPA depreciation and amortization of the acquired companies and assets. In Q2 2022, no impairment charges were made on goodwill.

NOTE 13 RELATED PARTY TRANSACTIONS

Balances and transactions between the Company and its subsidiaries, which are related parties, have been eliminated during consolidation and are not explained in these notes. Details of transactions between the Company and other related parties are given below. In addition to the Management Board, family members close to the Board and, in principle, investments and the shareholders can all be considered relationships to associated companies and persons under IAS 24 Related Party Disclosures.

Remco Westermann is part of the four-member Board of Directors and CEO of the Company and personally holds 90% of the shares in Sarasvati GmbH, which in turn holds 100% of the shares in Bodhivas GmbH, which in turn holds 26.2% of the shares in MGI , as of June 30, 2022, as well as kEUR 1,000 bonds with ISIN SE0015194527 and kEUR 1,200 bonds with ISIN SE0018042277. Remco Westermann is a member of the Board of Directors of the Company since May 31, 2018 and is the Managing Director of Bodhivas GmbH, Sarasvati GmbH, Garusadana GmbH, Bodhisattva GmbH and Jarimovas GmbH, Düsseldorf. Additionally, Jaap Westermann holds 10% of Sarasvati GmbH. Hendrika Westermann is the wife of Remco Westermann, Jaap Westermann is the brother of Remco Westermann, Hendrika, Jaap and Remco Westermann are directors of Jarimovas GmbH, Düsseldorf. As of June 30, 2022, the Company has a receivable of kEUR 0 against Bodhivas GmbH (31 December 2021: k EUR 954). In the first half year 2022 Bodhivas GmbH rolled-over kEUR 1,000 Senior Secured Bonds of MGI (ISIN: SE0015194527) maturing in 2024 into the new Senior Secured Bonds of MGI (ISIN: SE0018042277) maturing in 2026 plus acquired kEUR 200 additional Senior Secured Bonds of MGI (ISIN: SE0018042277) with cash.

Tobias M. Weitzel is a member of the Board of Directors of the Company since May 31, 2018. He holds 500,000 phantom stock and 1,209,228 shares in the Company, as of June 30, 2022.

Elizabeth Para is a member of the Board of Directors of the Company since January 31 2020. She holds 500,000 phantom stock and 1,505,716 shares in the Company as of June 30, 2022.

Antonius Reiner Fromme is a member of the Board of Directors of the Company since April 15, 2021. He does not hold any shares in the Company.

NOTE 14 OTHER DISCLOSURES

There are no new significant litigations or claims in H1 2022.

NOTE 15 SHAREHOLDERS^{1,2}

1	Bodhivas GmbH	26.2 %
2	Oaktree Capital Management LLP	12.6 %
3	Sterling Active Fund	3.9 %
4	Janus Henderson Investors	3.4 %
5	Billings Capital Management LLC	1.0 %
6	Nordnet Pensionsförsäkring	1.0 %
7	Crédit Mutuel Asset Management	1.0 %
8	Elizabeth Para	1.0 %
9	Avanza Pension	0.9 %
10	Tobias Weitzel	0.8 %
11	Didner & Gerge Fonder	0.7 %
12	Finlandia Rahastoyhtiö Oy	0.7 %
13	BlackRock	0.7 %
14	Stena	0.6 %
15	Skandia Fonder	0.6 %
16	PMG Fonds Management	0.6 %
17	Livförsäkringsbolaget Skandia	0.6 %
18	Chelverton Asset Management	0.5 %
19	Crystal Asset Management AG	0.4 %
20	Atlant Fonder	0.4 %

Note (1) Source: Monitor by Modular Finance AB. Compiled and processed data from various sources, including Euroclear but excluding Clearstream as of June 30, 2022.

Note (2) Clearstream is the settlement and custody agent for all shares traded on the German stock exchanges or not deposited on a Swedish depository. Clearstream does not provide share registers to issuers and therefore the issuer has very limited information about the part of the shareholders who have not deposited their shares on a Swedish depository and are therefore registered in the Euroclear share register. It is also possible that shareholders have deposited a portion of their shares in both Sweden and Germany. In this case, the issuer only has knowledge of the number of shares registered in the Euroclear share register.

DEFINITIONS OF KEY PERFORMANCE INDICATORS

Net Income	Total income minus operating expenses, depreciation and amortization, financial result, and taxes
Adj. Net Income	Net Income excluding PPA amortization
EBIT	Earnings before interest and taxes
EBIT margin	EBIT as a percentage of net revenues
Adjusted EBIT	EBIT excluding one-time costs and PPA amortization
Adjusted EBIT margin	Adjusted EBIT as a percentage of net revenues
EBITDA	Earnings before interest, taxes, depreciation and amortization
EBITDA margin	EBITDA as a percentage of net revenues
Adjusted EBITDA	EBITDA excluding one-time costs
Adjusted EBITDA margin	Adjusted EBITDA as a percentage of net revenues
Equity ratio	Equity as a percentage of total assets
Growth in revenues	Net sales for the current period divided by net sales for the corresponding period of the previous year
Leverage Ratio	Net Interest Bearing Debt divided by adj. EBITDA for the past 12 months excluding shareholder and related party loans
Interest Coverage Ratio	Adj. EBITDA divided by net cash financial items for the past 12 months
Organic Revenue Growth	Organic Revenue Growth does include growth calculated on a year-over-year basis from companies being within the Group for twelve months or more. What is excluded is the revenue growth from acquisitions that have not been part of the group in the last twelve month, and the decline from sales stemming from closures/divestment of businesses.

PARENT COMPANY

MGI with its headquarters in Valletta, Malta, is the parent company of the group.

FINANCIAL CALENDAR

Annual General Meeting 2022	15.09.2022
Interim Report Q3 2022	30.11.2022
Interim Report Q4 2022	28.02.2023

Auditor Review

- shown on the following two pages -

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INDEPENDENT AUDITORS' REPORT ON THE REVIEW OF THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of Media and Games Invest SE

We have been engaged by the board of directors to review the unaudited condensed consolidated financial statements of Media and Games Invest SE ("the Company") and its subsidiaries (together, "the Group") as at 30 June 2022 which comprise the unaudited condensed consolidated statement of financial position as at 30 June 2022, and the unaudited condensed consolidated statement of income, the unaudited condensed consolidated statement of comprehensive income, the unaudited condensed consolidated statement of changes in equity, and the unaudited condensed consolidated statement of cash flows for the six-month period then ended, and selected explanatory notes. We have also read the other information contained in the half-year report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the unaudited condensed consolidated financial statements.

Responsibilities of the Directors for the Unaudited Condensed Consolidated Financial Statements

The half-year report, including the unaudited condensed consolidated financial statements, is the responsibility of the directors. The directors are responsible for the preparation of the half-year report, including unaudited condensed consolidated financial statements. The unaudited condensed consolidated financial statements have been prepared in accordance with International Accounting Standard (IAS) 34, *Interim Financial Reporting*, as adopted by the European Union (EU).

Scope of Review

Our responsibility is to express a conclusion on the unaudited condensed consolidated financial statements in the half-year report based on our review.

We conducted our review in accordance with International Standards on Review Engagements (ISRE) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

INDEPENDENT AUDITORS' REPORT ON THE REVIEW OF THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - continued

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the unaudited condensed consolidated financial statements in the half-year report do not give a true and fair view of the financial position of the Group as at 30 June 2022, and of its financial performance and its cash flows for the six-month period then ended in accordance with IAS 34, *Interim Financial Reporting*, as adopted by the EU.

We have also not identified any apparent misstatements or material inconsistencies in the other information presented in the half-year report with the information in the unaudited condensed consolidated financial statements.

Use of this report

This report is made solely to the shareholders of the Company in accordance with ISRE 2410. Our work has been undertaken so that we might state to the shareholders those matters we are required to state to it in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our review work, for this report, or for the conclusions we have formed.



This copy of the review report has been signed by
Roberta West Falzon (Principal)
For and on behalf of

RSM Malta
Registered Auditors

31 August 2022

INVESTOR CONTACT

The latest information on the Company is published on its website www.mgi.group. The Company can be contacted by email info@mgi-se.com or soeren.barz@mgi-se.com.

FOR FURTHER INFORMATION, PLEASE CONTACT:

Remco Westermann, CEO
Email: info@mgi-se.com or soeren.barz@mgi-se.com

BOARD DECLARATION

In all conscience, we assure, as representative for the Board of Directors of the Company, that the unaudited condensed consolidated financial statements give a true and fair view of the financial position of the Company as at 30 June 2022, and of its financial performance and cash flows for the year then ended, and have been prepared in accordance with IAS 34, Interim Financial Reporting, as adopted by the EU.

Malta, August 31, 2022

Board of Directors



Media and Games Invest SE

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