Media and Games Invest plc.

Inclusion document

for the inclusion of the shares of
Media and Games Invest plc.
in the
Scale segment
of the Frankfurt Stock Exchange

WKN: A1JGT0
ISIN: MT0000580101

Table of Contents

I. Introduction and warning notices

1. Introduction

Name of securities:	Ordinary shares with a nominal value of EUR 1.00 each. The issued share capital is presently EUR 70,020,000.00 divided into 70,020,000 ordinary shares.
ISIN:	MT0000580101
Issuer Name:	Media and Games Invest plc
Registered office and address:	St. Christopher Street 168, Valletta VLT 1467, Malta.
Names and functions of the persons responsible for the inclusion document on the part of the issuer:	Mr Remco Westermann (Chairman of the Board of Directors) and Mr Tobias Weitzel (Member of the Board of Directors)
Name, registered office and address of the Applying Capital Market Partner:	Hauck & Aufhäuser Privatbankiers AG Kaiserstraße 24 60311 Frankfurt Germany
Date on which the inclusion document was reviewed by the Applying Capital Market Partner for completeness, coherence and comprehension (but not for factual accuracy):	4 May until 1 July 2020

2. Warning notices

This inclusion document does not constitute a prospectus pursuant to the Regulation (EU) 2017/1129.

This inclusion document has been created and may be published for the purpose of inclusion in Scale – whereby Scale constitutes a market segment of a multilateral trading facility and not of a regulated market – the inclusion document may not be used for a public offering, and it will not be updated, modified or supplemented after the time of inclusion.

This inclusion document was drawn up under the responsibility of the issuer and the issuer is responsible for its content.

The Applying Capital Market Partner has reviewed the completeness, consistency and comprehensibility of the inclusion document (not its factual accuracy);

Deutsche Börse AG has not verified the factual accuracy of the inclusion document.

II. Essential information about the issuer

1. Short description of the issuer

Media and Games Invest plc, (the “Company” and together with its subsidiaries the “Group”), is a public limited liability company incorporated under the laws of the Republic of Malta as of 21 March 2011. The Company is registered with the Registry of Companies in Malta, registration number C 52332 with its registered office at 168 St. Christopher Street, Valletta, VLT1467, Malta.

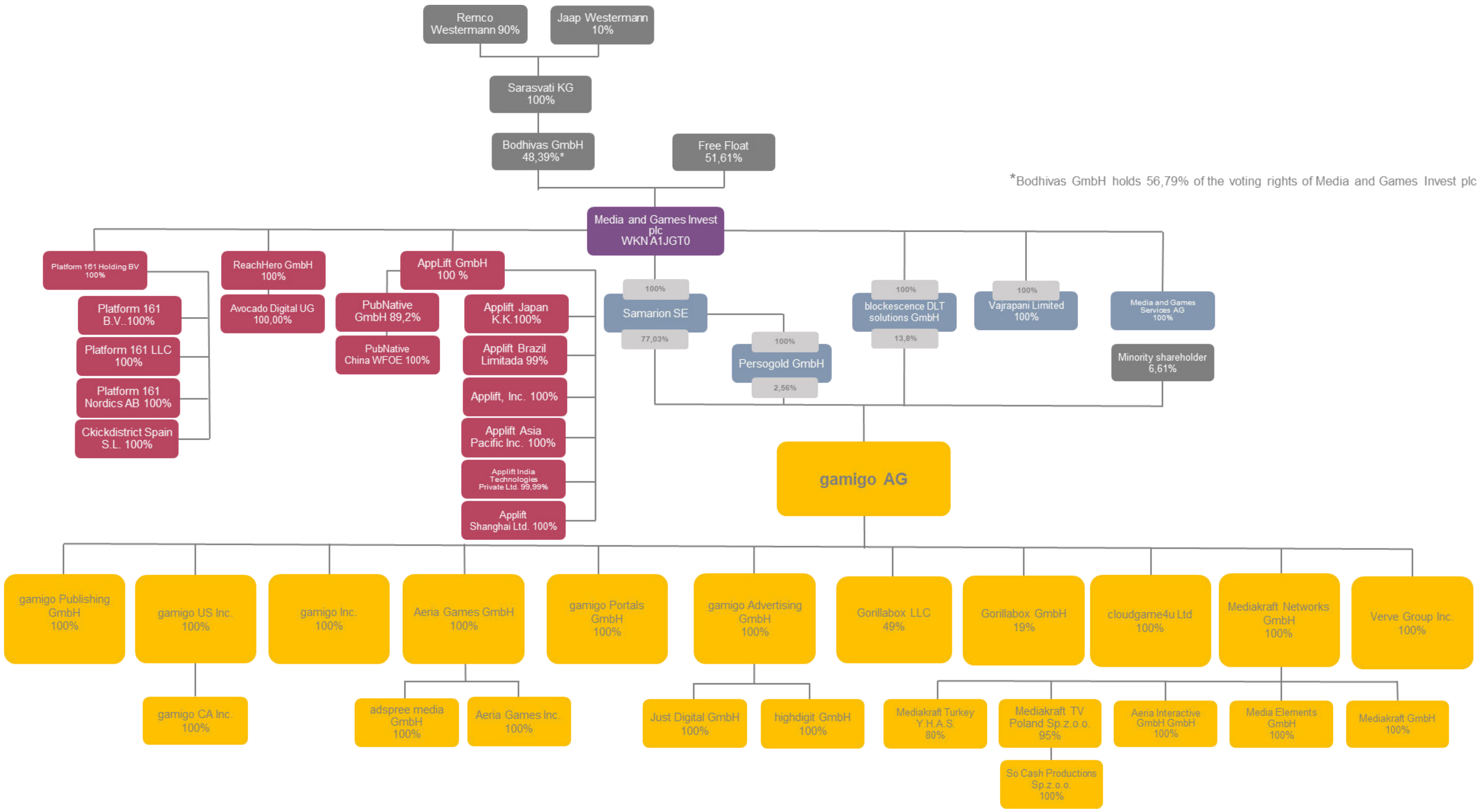
The Company's LEI is 391200UIIWMXRLGARB95.

The Company is the parent holding company of Media and Games Services AG, Switzerland, blockescence DLT solutions GmbH, Germany, Samarion SE, Germany, Applift GmbH, Germany ("Applift"), Vajrapani Limited, Malta, Platform 161 Holding BV, Netherlands and ReachHero GmbH, Germany. The Company holds, through Samarion SE and Blockescence DLT solutions GmbH indirect control of 93.4% of the shares and 93.4% of the voting rights of gamigo AG, Germany ("gamigo" and, together with its subsidiaries, "gamigo Group"), which forms part of the Group. The following companies under gamigo were unconsolidated during the twelft months ended 31 January! 2019: Aeria Games Inc., cloudgame4u Ltd., highdigit GmbH, Just Digital GmbH, gamigo CA Inc. and Verve Group, inc. (which was formed in January 2020). The Company, through gamigo, holds 49% of the shares of Gorillabox LLC, USA, an associate company, as well as 19% of the shares of Gorillabox GmbH, Germany.

As of 30 June 2020, Bodhivas GmbH, Germany, owns 48.39% of the shares ! and 56.79% of the voting rights of the Company directly and thus controls the Company. Bodhivas is a 100% subsidiary of Sarasvati KG, which in turn is 90% owned by Remco Westermann, the Company's Chairman of the Board of Directors, who thus indirectly controls the Company.
The Company's executive board and its board of directors are responsible for managing the Company's business, as described in more detail in 7. below.

RSM Malta, Mdina Road, ZBG9015, Haz-Zebbug, Malta, is the Company's statutory auditor.

Corporate structure



2. Short description of the issuer's business activities and prospects

The Company is active in the sectors media and gaming and follows a "Buy, Integrate, Build and Improve" strategy through organic growth and acquisitions. Technology is actively used to create efficiency improvements and competitive advantages within the Group. Synergy and integration potentials are important criteria for the expansion of the group. The most important investments include gamigo, a fast-growing gaming and media company, ReachHero GmbH, a leading influencer software-as-a-service ("SaaS") platform, Applift, a leading media company specializing in mobile advertising, and Pubnative, a supply side platform ("SSP") for mobile advertising. The Company's shares are listed on a number of stock exchanges including the basic board of the Frankfurt Stock Exchange. The shares can be traded on XETRA.

gamigo, an online games publisher and the Company's current main asset, was taken over by Remco Westermann, the Company's Chief Executive Officer, from Axel Springer end of 2012. In the following years, Mr. Westermann changed the business model of the games company. The capital-intensive and risky game development of new games was stopped. Instead, the Company concentrated on licensing existing and successful games and intellectual property rights as well as on the acquisition, restructuring and integration of -mostly distressed- games and media companies. With more than 25 acquisitions, Mr. Westermann and his experienced management team turned gamigo into a fast growing game publisher in Europe and North America with an average annual revenue growth of 43% and an EBITDA growth of 54% between 2014 and 2019.

One of the important milestones for gamigo was the acquisition of Aeria Games GmbH from ProSiebenSat.1 Media SE in 2016. In addition to a portfolio of games, the performance marketing agency adspree media GmbH was also included in the assets acquired. This expanded gamigo's product portfolio by adding the online media advertising segment.

In May 2018, Mr. Westermann and his team built the basis for further enhancing the Company's growth strategy by contributing more than 53% of the voting rights in gamigo to the Company, in which Mr. Westermann acquired a majority stake. With the contribution, the team decided to further extend the successful “Buy, Integrate, Build and Improve” strategy used in the business to consumer ("B2C") gaming sector into the business to business ("B2B") media/online advertising sector.

Before the acquisition of the majority stake in the Company (formerly solidare real estate holding plc, Malta, in short, "solidare") by Mr. Westermann (via the Investment Vehicle Bodhivas GmbH), the focus of solidare was on investments in the real estate sector. After the takeover and the subsequent divestment of the real estate business and the acquisition of the gamigo shares, the Company was strategically realigned and due to the additional financial possibilities offered by the stock exchange listing, has taken over and integrated six further companies and assets in the media and gaming sectors since May 2018 and further continued the development started with Mr. Westermann acquiring gamigo in 2012.

As described above, the Company's focus is on the two sectors media (which is a B2B sector) and gaming (which is a B2C sector).

Gaming segment

In the gaming segment, online and mobile games for end customers are provided, supported, operated and, in some cases, further developed in-house. This segment is consolidated by the subsidiary gamigo. Overall, the Group has a broad portfolio of online and console games, including casual games, role-playing games and strategy games. It markets its products and services primarily to gamers in Europe and North America. The games are usually exclusively licensed worldwide or for certain regional territories.

The so-called free-to-play massively multiplayer online games (MMOGs) account for the largest share of revenues. Free-to-Play means that users can basically play for free, but can purchase goods (so-called "items") that are subject to a charge. This business model requires ongoing support of the games, in close coordination with the users ("gaming as a service"). In addition to regular events and competitions, new items (e.g. new costumes) and also expansions (e.g. new functions, levels and opponents) are provided on a regular basis to increase the fun of the game and/or enable faster success. Through support of the games, users often remain loyal to the game for several years and can invest money in the game over the entire period as required. For many games, over 50% of the revenues are generated by users who have been active in the game for more than 5 years. MMOG means that several thousand users often meet, interact and are often connected to each other through fixed player communities (so-called "guilds" or "clans") on a playing field or server environment, which also creates a strong bond between the users and the game. There is a technical difference in MMOGs between browser games (games are played online in the browser), client games (games are downloaded first and the client is stored on the PC; however, when playing, users must be online to communicate with the server) and console games (games are played online on consoles such as Xbox and Playstation). In addition, more than 5,000 casual games - mostly single player games - are now offered on the platforms of deutschland-spielt.de and WildTangent Inc. (acquired in April 2019), often in the so-called subscription model, where users buy a monthly subscription, for example, and then have access to all the games on the respective portal. The portfolio also includes games that can be played on Facebook and/or mobile devices (iOS and Android). In the case of casual, browser and mobile games, a portion of the revenues is also often generated by advertising inserts and promotional videos.

The gamigo Group currently offers over 30 MMOGs and more than 5,000 casual games. These also include various MMOGs such as Fiesta Online and Desert Operations, which have already been on the market for ten years or more and whose revenues, if the games are well attended and marketed, generally have only a slight churn and can even be stabilised or brought back to growth with optimised marketing and improved game content, taking into account user wishes.

Launching new games on the market generally poses a major risk, since on the one hand there are already many games with long-term loyal users, and on the other hand a large number of new games are still launched every month. In order to reduce the risk of a lack of acceptance of the games offered on the market, the Company prefers to acquire game licenses by taking over companies that offer games already established on the market and have a solid customer and sales base. In addition, the Company also acquires new game licenses, trying to keep the risks low. This is to be ensured by a strict selection process, the lowest possible up-front investment in licenses and an increase in the marketing budget only after certain minimum criteria, such as user numbers and revenues, have been met. In particular, the subsidiary gamigo, which has grown strongly in recent years and has a large registered customer base and a good reputation, is also offering increasingly better licenses. Games which have been launched or acquired and do not meet expectations are being discontinued or phased out. Since 2016, gamigo has also invested in intellectual property and development rights and has now been able to acquire the worldwide intellectual property and development rights for seven of its ten best-selling games. The development of these games is now being driven forward in-house.

Gaming Market Trends

The video games market is characterized by a large diversity of products. The most common genres include action games, simulations and arcade games, followed by puzzles, adventures, casual games and strategy games. Due to the strong competitive landscape, the video games market is hit-oriented; many games on the market are discontinued after a short period of time; only a few have a long lifetime and generate profit. In gamigo's experience, games with a proven reputation can stay relevant in the market for 10 years or more. This is shown not only by gamigo's titles, such as Fiesta Online (2006) or Grand Fantasia (2009), but also by competing products such as Eve Online (2003) or World of Warcraft (2004). Globally, video games companies generate revenue and profit via various business models, including the sale of games or game apps, the sale of in-game items, the sale of games subscriptions and the placement of advertisements in the games. The bulk of revenue within the video games market is generated by selling in-game items. The game portfolio of gamigo consists mainly of games based on this business model, also known as the free-to-play model.

With more than 2.5 billion gamers in the world, the video games market has stepped into the spotlight as an important digital entertainment industry. Emerging as a subculture back in the 80s and 90s, the global video games market has grown to be one of the largest digital entertainment industries with a CAGR of 13.4% between 2015 and 2019, and estimated sales of USD 152.1 billion in 2019 according to Newzoo: Global Games Market Report 2019 available on https://newzoo.com/solutions/standard/market-forecasts/global-games-market-report/. By 2022, the market is expected to have grown further to USD 196 billion, showing no signs of slowing down. Some games have become significant in size, attracting millions of users, hosting world championship events and creating a strong community among their users. The leading MMOGs Fortnite, League of Legends and Counterstrike: Global Offensive generated revenues of USD 2.4 billion, 1.4 billion and 0.4 billion respectively in 2018. In 2018, League of Legends held their World Championship event with 100 million viewers, to be compared with Super Bowls which had approx. 98 million viewers in 2019.

The global gaming activity is, and has historically been, dominated by individuals in the age group between 6-24 years old. In recent years, the age group between 25-34 years has grown significantly and represents the strongest growing age group with an 8% Year-on-Year ("YoY") growth in 2018 according to Newzoo: Global Games Market Report 2019, making it the strongest growing cohort of users. Overall, the share of gamers is well-diversified between genders and age group.

Media segment

In the media segment, the Company covers the almost entire value chain for digital advertising. In addition to the media companies, adspree and Mediakraft, which belong to the gamigo Group, the Company has acquired three further media companies in 2019: Applift, PubNative and ReachHero. In January 2020 gamigo acquired via its especially for this purpose newly founded US subsidiary, Verve Group, Inc., substantially all assets of Verve Wireless, Inc. The scope of the group companies covers basically all five main positions in the value chain in the online advertising market: Agencies and trading desks, demand side platforms (DSPs), advertising networks/exchanges, SSPs and publishers.

From an advertiser's perspective, the first stop in the online advertising industry is an agency or trade desk, depending on the degree of outsourcing required. An agency's services include the creation, planning and execution of advertising campaigns as a full-service package that allows the advertiser to completely outsource advertising-related activities. A so-called trade desk is still very similar to an agency in its radius of action, but it does not deal with the creation of advertising content. The focus is on the purchase process of advertising inventory, which is ideally enriched with information about the target groups.

The next step in the value chain and a necessary function in programmatic advertising is a demand side platform (DSP). It bundles the demand of advertising customers and enriches it with specific data in order to match the advertising content with the advertising inventory as efficiently as possible.

The counterpart to a DSP is an SSP. It bundles the advertising space offered by publishers and has specific information on the properties of the available advertising inventory.

An ad exchange sits between the two sides of the DSPs and SSPs and acts as a marketplace for supply and demand of ad space. This is often done through automated processes via Real Time Bidding (RTB).

At the end of the value chain is a publisher who owns a medium or media platform and wants to sell his advertising inventory.

Mediakraft

Mediakraft is the Company's online advertising agency with a specific focus on social, influencer and video marketing. The company not only produces content, but also manages YouTube channels and designs and produces entire influencer advertising campaigns. Its customers include advertisers as well as influencers and YouTube channels, especially in the gaming sector. The company actively manages YouTubers and Influencers and connects them with advertisers and its own user acquisition activities and produces suitable content to market them attractively.

Adspree

Adspree is in charge of the Company's gaming portals and acts on the one hand as an advertiser for its own games, but also supports as an online performance agency game third party publishers and game developers in order to acquire new users. On the other hand, Adspree is also a publisher, maximising the available advertising space of gamigo and third-party providers. Adspree manages clients' advertising campaigns across all major channels: SEO, SEA, social media/impact marketing, programmatic media buying, affiliate marketing and TV advertising. This service and know-how is passed on to third parties, but also to the Company's own portfolio.

Verve

Verve powers via managed services as well as via its programmatic platforms mobile marketing through Movement Science, successfully connecting brands with their customers across smartphones, digital out-of-home, connected TV, and the many emerging screens of the modern consumer journey. Verve's proprietary location intelligence, patented technology, premium mobile inventory, and analytics capabilities empower marketers to reach consumers with compelling mobile advertising experiences that drive engagement and sales in both the digital and physical worlds.

Applift

Applift is an international mobile performance advertising agency, which helps advertisers, to acquire users for their apps. The company, which was acquired in July 2019, specializes in customer targeting and reengagement measures and in the corresponding measures to work more efficiently. Applift offers a global reach with 10 offices worldwide, is integrated with 35+ SSPs and exchanges, with access to more than 1.5 billion+ mobile users. It also provides solutions for publishers by connecting directly to Applift's aggregated demand that is programmatically processed, which is the core of the business.

PubNative

PubNative, an Applift subsidiary, is an SSP for mobile programmatic in-app advertising and enables app publishers to monetize and maximize their advertising inventory. PubNative enables publishers to connect directly via an API (Application Programming Interface) without having to worry about an SDK (Software Development Kit) that is normally required to integrate an app with a monetization advertising platform.

Verve, Applift and PubNative are active in the fast growing mobile advertising technology market, which is highly competitive and penetrated by major users such as the Trade Desk (DSP) or Google Ad Manager (SSP), however, a market that is still highly fragmented and leaves room for consolidation with many M&A opportunities and a lot of synergy potential when acquiring various players.

ReachHero

ReachHero, in which the Company holds 67.38%, provides agency services for social media influencers and creators to connect brands / products / advertisers with the appropriate influencer and channel and operates a SaaS platform where agencies and advertisers can manage all their influencer campaigns and have access to more than 70k registered influencers. It thus also acts as a pipeline for Mediakraft and is also involved in the entire creation process. The services are offered as a classic agency model and as an SaaS model.

Platform 161

Platform 161 (also known under the former brand name Clickdistrict) was founded in 2008 and is a demand side platform (DSP) for programmatic advertising. Headquartered in Amsterdam, Netherlands, the company has offices in Barcelona, Hamburg, Istanbul, New York and Stockholm. Platform 161 provides customers with individualised advertising in real time - with data-supported, automated and individualised buying and selling and the bidding for digital advertising space. Following the acquisitions of Applift, Pubnative and the key assets of Verve, this is another strategic acquisition that expands the Company´s technological expertise, product portfolio, customer base and sales organization in the digital media sector and opens up new markets.

Media Market Trends

The global digital advertising market is expected to remain a strong growth market going forward towards 2023. According to the Statista Digital Advertising report 2019, the total global volume is expected to grow from USD 334bn in 2019 to USD 426bn in 2023, which represents a CAGR of 6.3%. Social media advertising is expected to post the most attractive growth with a CAGR of 12.1% from 2019 to 2023, followed by Search (8.1%) and Video (6.8%). Advertising costs are following this trend accordingly, mobile ad spend is expected to growth with a CAGR of 14% from 2019 to 2023, while desktop is even expected to slightly decrease (CAGR of -2.2%). The programmatic ad-tech landscape has a similar structure to the gaming market. Its technology driven and fragmented with many different apps being published and advertised every day via different channels and platforms.

Strategy

The Company follows a “buy, integrate, build and improve” strategy in both the media and the gaming segments. The consolidation opportunities of the market are used by way of M&A. The focus is mostly on companies that have come under pressure due to small scale and efficiency problems as well as high overhead costs, mainly in the area of personnel, distribution and IT infrastructure. After the companies have been taken over, they are restructured and integrated with a focus on the realization of cost synergies in personnel, IT, and marketing/distribution. In this way considerable overhead costs can be cut. After successful integration, the Company continues to invest in organic growth of the acquired companies and assets. For example, improvement of user acquisition for games by media companies, use of in-game advertising spaces for media companies, further development of games in the gaming and software in the media sector, launch of new games or internationalisation of existing games or expansion of sales in the media sector.

Synergies

In addition to the similarities between the two segments, media and gaming, such as the high degree of fragmentation and affinity to technology, there are further synergies between these two areas which are essential for the Company.

In order to be more attractive to advertisers, so that they allocate their budgets to an advertisement company, the latter needs a platform with attractive content, i.e. advertising space that must be of high quality and thus prevent fraud and ensure a high quality of user information. Accordingly, more and more advertisers are looking for private marketplaces with high quality advertising space and exclusive partners instead of just relying on the Open Marketplace concept, where many platforms try to integrate with many publishers without having full control over data, formats, visibility and reporting. gamigo reaches more than 600,000 daily active users and more than 5 million monthly active users with its existing games portfolio, and the Company has access to rich user data and can evaluate it appropriately. Accordingly, the gaming portals of the group are exclusive USP for the media subsidiaries of the Company.

On the other hand, the gaming companies benefit considerably from the in-house advertising specialists and the existing expertise in the field of user acquisition. Thus for example, gamigo is able to license games and to cross-selling them to the existing user base, with support offered by the media segment's software tools to win new and monetize existing gaming users. Furthermore, the gaming sector and especially mobile gaming will benefit from the know-how and software of the Group's mobile advertising companies.

Dependence on intellectual property or contracts

The Group's diverse product portfolio has been built up through company acquisitions, the purchase of gaming licenses, worldwide publishing rights as well as software and platform technologies in the gaming and ad-tech sector. However, parts of the Group's product portfolio also consist of licensed games developed by third parties. If no new licenses are available on the market for the group in the future, or if these newly licensed games are not technically flawless or contain programming errors or similar malfunctions, this could have a negative impact on the groups business activities. Furthermore, the group has also acquired patents, intellectual property rights and contracts as part of its M&A activities.

However, the group is not dependent on any specific licenses, patents, industrial, commercial or financing agreements or new manufacturing processes.

Legal disputes and litigation proceedings

The Group is on a regular basis – mostly as a result of its continued M&A activities – involved in various legal disputes, proceedings and arbitration proceedings, in particular with partners, employees and former shareholders of acquired companies. Further, the Group might also be involved in other disputes or subject to other litigation in the future. The possible negative outcomes of current and future disputes could have a negative effect on the Group's business, earnings or financial position. Defending claims or lawsuits can be expensive and time consuming, divert management resources, damage the Group's reputation and also cause regulatory inquiries. Any of these developments can have a material adverse effect on the Group's business, results of operations or financial condition.

The following are lawsuits that the Group deems substantial, all resulting from one M&A transaction:

- *Seller of looki publishing GmbH ("Looki") v. Samarion SE, Arbitration Proceeding*

  In these arbitration proceedings, the seller of Looki (acquired by gamigo in 2015) challenged the duly agreed upon payment of a part of a call option executed by Samarion SE regarding gamigo AG shares. While a claim versus the seller exists, the seller claims that the payment could only be made in cash and not via offsetting receivables versus Seller. Therefore, Seller is disputing full payment and in line with that the valid share transfer to Samarion. The value in dispute amounts to approximately EUR 1.0 million, which reflects also the maximal financial burden for this case (next to legal costs), for which a provision exists.

- *gamigo AG v. former gamigo AG Executive Board Member, District Court of Hamburg*

  In these proceedings, gamigo AG is pursuing claims against a former member of the executive board of gamigo AG. The claims relate to willful deception ("*arglistige Täuschung*") in connection with the purchase of the subsidiary highdigit GmbH as well as wrong spending of marketing funds for the former executive board member's own benefit. No financial burden or depreciation is expected from this case except for legal costs, for which a provision exists.

- *gamigo Publishing GmbH and gamigo AG v. Seller of Looki, District Court Münster*

  In these proceedings, the plaintiffs have requested the declaration by the court that the defendant is not entitled to a remuneration for services as claimed by the seller. The preliminary amount in dispute is a cumulative amount of EUR 1.1 million. A conservative provision for payables as well as legal costs has been made.

Except as described above, the Company is not aware of any material legal disputes that may impact its assets and liabilities, financial position or profits and losses.

Changes in Financial Position

There have been the following significant changes in the Company's financial position that occurred since the publication of its last financial statements:

- The Company completed a capital increase excluding subscription rights on 5 July 2019. In a private placement, 8,000,000 new shares were placed with institutional investors at a placement price of EUR 1.15 per share using an accelerated book building process. The new shares are entitled to participate in profits from 1 January 2018. After completion of the capital increase, the company's share capital amounts to EUR 70,020,000.00.

- The Company issued its MGI 2019/2024 bond (ISIN DE000A2R4KF3) in a principal amount of EUR 5 million on 10 October 2019 in a first step via a private placement. The bond has a total aggregate principal amount of up to EUR 25 million. The issue proceeds will be used for the optimization of the investment structure, further M&A, and for general corporate purposes. In the meantime, the principal amount placed has been increased to EUR 16.9 million. The interest amounts to 7.00 percent p.a. with quarterly interest payments, for the first time on 11 January 2020. The bond matures at 11 October 2024 at the latest. Early repayment by the Company is possible in whole or in part for the first time in October 2021 at 103 percent of the nominal value. Further early redemption options exist in October 2022 (102 percent) and October 2023 (101 percent).

- On 5 July 2019 the Company's subsidiary, blockescense DLT solutions GmbH entered into a loan agreement with UniCredit Bank AG for a credit in the amount of EUR 10 million at an interest rate of 5.5 %. The loan agreement matures on 30 June 2022 and the funds borrowed were used to buy out a minority shareholder.

Off Balance-Sheet Arrangements

As of the date of this document, the Company has the following off-balance-sheet arrangements:

- letter of comfort by the Company for AppLift GmbH up to EUR 7 million less the respective amount of liabilities due from AppLift GmbH to the Company;

- letter of comfort by the Company for PubNative GmbH up to EUR 2 million less the respective amount of liabilities due from PubNative GmbH to the Company;

- letter of credit for the benefit of gamigo AG related to rent guarantees in the amount of EUR 250,000;

- letter of credit for the benefit of AppLift GmbH in the amount of EUR 383,000.

3. Key financial information

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION, MGI GROUP

EUR 000's	31 Dec 2019	31 Dec 2018
Intangible assets	233,207	204,142
Property, plant and equipment	3,521	4,189
Financial assets and other assets	19.864	11,712
Long-term assets	**256,593**	**220,043**
Trade and other receivables	22,872	11,803
Cash and cash equivalents	32,984	4,447
Short-term assets	**55,857**	**16,250**
Total assets	**312,449**	**236,293**
Equity attributable to shareholders of the parent company	98,068	67,220
Non-controlling interest	70,490	91,320
Total Equity	**168,558**	**158,540**
Long-term liabilities	89,347	53,395
Short-term liabilities	54,544	24,358
Total liabilities and equity	**312,449**	**236,293**

CONDENSED CONSOLIDATED CASH FLOW STATEMENT, MGI GROUP

EUR 000's	Jan-Dec 2019	Jan-Dec 2018
Cash flow from operating activities	**16,199**	**6,942**
Cash flow from investing activities	**-13,070**	**-14,113**
Cash flow from financing activities	**25,408**	**11,098**
Cash flow for the period	**28,537**	**3,927**
Exchange rate related amendments of the financial funds	0	114
Cash and cash equivalents at beginning of period	4,447	406
Cash and cash equivalents at end of period	**32,984**	**4,447**

CONDENSED CONSOLIDATED STATEMENT OF INCOME, MGI GROUP

EUR 000's	Jan-Dec 2019	Jan-Dec 2018
Revenues		
Net revenues	83,893	32,621
Own work capitalized	10,187	2,791
Other operating income	4,636	6,506
Total Income	**98,716**	**41,918**
Operating Expenses		
Services purchased & other operating expenses	-55,815	-22,834
Personnel expenses	-27,358	-10,438
Total operating expenses	**-83,174**	**-33,272**
EBITDA	**15,542**	**8,646**
Depreciation, amortization and write-downs	-10,543	-6,318
EBIT	**4,999**	**2,328**
Financial result	-5.758	-1.641
EBT	**-758**	**687**
Income Taxes	2,012	895
Net Result	**1,253**	**1,582**
of which attributable to non-controlling interest	1.577	932
of which attributable to shareholders of the parent company (2018 including results from discontinued operations)	**-324**	**4,323**
Earnings per share		
From continuing and discontinued operations	**-0.01**	**0.09**
From continuing opperations	**-0.01**	**0.01**

4. Publication of financial reports

The financial statements and management reports submitted pursuant to § 17 Paragraph 3 letters c) and d) of the General Terms and Conditions of Deutsche Börse AG for the Regulated Unofficial Market (*Freiverkehr*) on the Frankfurt Stock Exchange have been published and can be accessed on the Company's Website, at https://media-and-games-invest.com/financial-reports.html.

5. Working capital statement

In the Company's opinion, its working capital is sufficient for its present requirements.

6. Short description of essential risk factors specific to the issuer

Risks related to the Group’s structure

Internal organizational structures and management processes

The continuous further development of appropriate internal organizational structures and management processes presents the Group with challenges and ties up a considerable part of its management resources. The systems in place at the Group for planning, controlling and monitoring business activities currently only meet the requirements and organization that would be appropriate for the intended size and business activity to a limited extent. To this extent, these systems must be set up or - if they exist - adapted and expanded.

Due to the planned expansion, the risk management system, which includes Group controlling, must be constantly expanded with regard to the exchange of information as well as the recording and processing of performance and financial data of the Group companies. The expansion of the risk management system may not succeed adequately to expand the portfolio or in time, so that possibly risk-relevant information on new projects may not become known, not fully or not in time. In addition, every risk management system may be partially or completely inadequate or fail, and therefore risks may not be recorded, recognized and correctly assessed or could have an impact on the business activities of the Group to an extent not expected.

If any of the Group members would not succeed in developing its internal planning, management and control systems and risk management systems in a timely and appropriate manner, or if errors occur in the adaptation of these systems, this could lead to undesirable business and administrative developments or wrong decisions. It may also hamper future growth.

The Group may not succeed in expanding and developing its internal budgeting, management and control systems in good time. Any errors during adjustment to these systems could also harbour the risk of business and administrative actions occurring or invalid decisions being made.

Risk relating to the integration of newly acquired companies or part of companies

The Group is, as part of its business strategy, constantly evaluating potential acquisition targets to supplement its current offering. Following the acquisition of a company or part of a company, it may become apparent that the competence of the management of the acquired company has been misjudged or the integration into the Group is not successful and does not meet the expectations of the Group or that the Group has misjudged the market position, expected synergies, product quality, earnings potential, profitability, customer loyalty to the company, the growth opportunities of the company, time and costs for integration, the existence of patents or other intellectual property protection, or other significant factors. Such misjudgements may also relate to the feasibility of the strategy underlying the respective acquisition. In such a case, not only would the achievement of the targets targeted by the Group with the acquisition be significantly jeopardized, but also the value of the investment as a whole. Furthermore, key persons of acquired companies could leave the acquired company as a result of the acquisition by the Group. Any of the foregoing factors, if they should materialize, could have an adverse effect on the net assets, financial position and results of operations of the Group.

<u>General risks related to the Group´s business and technology</u>

The possibility of using domains could be adversely affected

The Group also markets its products such as online, console and mobile games via its own domains. The marketing of the games via the Internet requires that the domains function smoothly and that their use is neither legally nor in fact adversely affected. Any disruption, interruption or significant impairment of the availability of the Group's domains would have a direct adverse effect on business activities and have a negative effect on the Group’s cash flows and results of operations.

Dependency on functioning settlement partners

The Group operates and markets online, console and mobile games in its game publishing division. The main source of income in this business area is the sale of virtual goods. With regard to the acquisition of these virtual goods, the Group depends on cost-effective and functioning billing partners (so-called payment providers). The costs and risks of settlement via these settlement partners are sometimes comparatively high. In addition, the Group offers payment services in the area of platform services in cooperation with payment providers. Payment providers are also at risk with regard to technical malfunctions, the temporary or structural failure of technical platforms, systems, data stocks and billing systems as well as the risk of the solvency of the billing partner. There are also risks with regard to liability due to e.g. system failures, fraud attempts and hacker attacks on the billing partner. Also on the media sector side, with SaaS, media, advertising partners that can be direct customers or intermediaries such as media agencies, could experience financial difficulties. Should the settlement partners the Group cooperates with not be able to offer its services as agreed or should such services be delayed or interrupted, it would adversely affect the processing of the services offered by the Group and thus the business activities until a new settlement partner is found or until such settlement partner is able to again offer its services as agreed, leading to that the Group cannot fulfil its services or could only fulfil them with considerable delays. Furthermore, the Group could be forced to accept less favourable conditions from another billing partner.

Technology in the media sector may not be scalable enough

The Group's technology must scale to process all of the advertising impressions from the collection of all of the visitors of all of the websites and applications offered on the Group's platform combined. Within milliseconds of a user visiting a website or clicking on an application containing the Group's technology, this technology must effect a transaction for a publisher and conduct an auction, in which hundreds of advertisers and tens of thousands of advertiser brands can participate. The Group's technology must be able to send bid requests to all of the appropriate and available advertisers on its platform per ad impression shown. It must perform these transactions end-to-end at speeds often faster than the page or application loads for the user. The Group's technology must surmount the challenge of processing the combined volume of every website and application and all of the constantly evolving advertisers' bidding technologies, at speeds that are often faster than their capabilities. It is key for the Group's success that its platform achieves network effects. For this its technology platform must be able to handle significant increases in the numbers of advertisers and publishers active on the platform as well as to support additional ad formats without jeopardising the stability of the IT infrastructure and reliability of its service delivery.

If the Group fails to (cost-) effectively increase the scale of its platform, to support and manage a substantial increase in the number of transactions, as well as a substantial increase in the amount of data the Group processes, whilst also maintaining a high level of performance, the quality of its services could decline and its reputation and business could be seriously harmed. In addition, if the Group is not able to continue processing these transactions at fast enough speeds or if the Group is unable to support emerging advertising formats or services preferred by publishers and advertisers, the Group may be unable to obtain new advertisers or publishers, the Group may lose existing advertisers or publishers or it could lose revenue from its failure to process transactions in a timely manner, any of which could cause the Group's revenue to decline.

The Group might not scale up quickly enough

The Group must be able to continue to increase the capacity of its technology platform in order to support substantial increases in the number of advertisers and device users, to support an increasing variety of advertising formats and to maintain a stable service infrastructure and reliable service delivery for the Group's mobile advertising services. The Group also needs to grow significantly to develop the market reach and scale necessary to compete effectively with large competitors. Scalability of the Group's technology is of increasing importance, as advertisers will migrate to intermediaries with the largest inventory and inventory of the best quality and publishers will migrate to intermediaries with largest and best ad demand. Currently, the industry experiences important economies of scale effects as fixed cost in technology and organisation are spread over larger volumes of ad impressions. Larger users could utilise their cost advantage to drive down pricing (revenue share) and take share from smaller users, such as the Group. This may be the case for owned and operated users, but also for independent users that scale up quickly. Large owned and operated users could in general make use of their financial resource, relationships and capacities to outcompete smaller users, e.g. through pricing, bundled deals and a broader offering. The Group must gain scale quickly through organic growth and several acquisitions and to integrate acquired businesses successfully and reap synergies, and as such strengthen as well as maintain its competitive positions.

If the Group is unable to increase the scale of its mobile advertising platform to support and manage a substantial increase in the number of advertisers and mobile device users, while also maintaining a high level of performance, the quality of the Group's services may decline and its reputation and business could be seriously harmed. In addition, if the Group is not able to support emerging mobile advertising formats or services preferred by advertisers, it may be unable to obtain new advertising clients or may lose existing advertising clients, and in either case the Group revenue could decline. The Group expects to continue to invest in its platform in order to meet increasing demand. Such investment may negatively affect the Group's profitability and results of operations.

Malfunctions and/or the failure of IT systems and/or networks

The core of the Group's daily operations is partly its IT systems. The Group uses complex IT systems and data centre services throughout its business operations and relies on functioning IT systems, hardware and networks to provide its services. The implementation of business activities via the internet and electronic data processing is essentially based on stable data availability, fast transmission of data and a technically stable Internet connection as well as well-functioning hardware and cloud infrastructure. The functionality of the servers used by the Group and the associated hardware, cloud and software infrastructure is of considerable importance for business activities and their attractiveness to customers. Errors and weaknesses of existing hardware, software and cloud infrastructure cannot be excluded. The business activities of the Group may also be significantly impaired by breakdowns or disruptions to IT systems and networks as a result of hardware destruction, system crashes, software problems, virus attacks, intrusion of unauthorized persons into the system, or comparable malfunctions. This can cause considerable costs. The Group may not be able to guarantee its services due to the lack of reliability, security and availability of its IT infrastructure. The materialization of each of these risks would adversely affect the net assets, financial position and results of operations of gamigo.

The Group depends on the services of internet carriers, data centres and cloud providers. The possible of any disruption of these services could lead to the services offered by the Group no longer being available to the Group's customers. Even if the Group is not responsible for these failures, the result could be damage to the Group. This could negatively affect the net assets, financial position and results of operations of the Group.

The third-party software used by the Group could become incompatible with regard to new and necessary updates due to their no longer being supported by the developer in question or due to potential architectural issues that prevent the expansion of the software, for example. In addition, the third-party software in use may violate the licence or intellectual property rights of other entities. The Group's failure to discover existing security or data vulnerabilities at an early stage could lead to a lack of security for the shared resources that are offered. This means that one customer might be able to access data for another customer. These potential risks, if realised, could negatively affect the net assets, financial position and results of operations of the Group.

Fraud software, hacking and/or other unfair activities

Customers of the Group or third parties could attempt to prevent or negatively influence the use of the online, console and mobile games and Media / Online Advertising services offered by the Group by using fraud software, hacking and/or other unfair activities such as distributed denial of service attacks (DDOS) and/or to provide participants with advantages over other users within the scope of the games. Furthermore, user data might be stolen and used without permission as a result of a hacking attack. Furthermore, service lines might fail and the corresponding services may no longer be made available or may be interrupted up to a loss of control over the Group's infrastructure.

Customers or third parties may try to lure users to other websites with fake offers. If more virtual goods are offered in the context of such transactions, this could lead to users no longer or to a lesser extent acquiring their virtual goods via the Group's platforms. This would have a negative impact on business activity. Furthermore, the Group is only in a limited position able to monitor the trading of virtual goods outside its own platforms. Users could also be harmed in such transactions and such intrusions could happen at payment or distribution partners of the Group, which might also harm the Group.

As a provider of online, console and mobile games and platform services, the Group is also exposed to the risk that games distributed on their respective platforms may be illegally copied and offered on other platforms. If games are played on platforms other than those operated by the Group or are played in counterfeit games, the Group cannot guarantee that this can be switched off or prevented with the result that income will be lost.

Substantial program bugs could negatively affect the game experience and therefore lead to a loss of (paying) users or to a loss of payments. Program bugs may also trigger negative game experiences by the users and lead to reputation damage. These risks apply to both external and internal game development and can have a negative influence on the net assets, financial position and results of operations of the Group.

The dissemination of counterfeit offers and the illegal copying of the Group's offerings may also result in the reputation of the Group's own platform as well as the games offered suffering and the interest of users in the Group's offers dwindling. As a result, the games offered could become less attractive to users and lose overall interest in the online, console and mobile games and platform services offered by the Group.

Changing technologies and customer requirements

The markets for online, console and mobile games and the market for media and mobile advertising are rapidly changing business areas. They are characterized by rapidly changing technologies, new technologies (e.g. virtual reality, augmented reality, block chain and streaming), new hardware or network or software compatibility requirements, frequent introductions of improved or new online, console and mobile games and platform services as well as constantly changing and new customer requirements. The success of the Group therefore depends crucially on, in ample time, identifying new trends and developments, constantly improving existing mobile advertising services and online, console and mobile games as well as platform services, including new games and platform services in the product range, the ability to extend the lifetime of its existing games, adapting to rapidly changing customer requirements and, in particular, attracting and retaining large numbers of paying users, publishers and developers for the platform services. In particular, the Group must be in a position to recognize changing customer wishes and requirements in good time and adapt the games and platform services offered accordingly at short notice and constantly improve, expand and update them with new features in such a way that both paying and non-paying users as well as publishers and developers find it attractive. The Group also depends on the availability of development partners and software developers, their quality and their willingness to further optimize games and platform services in the long term. As the Group currently focuses on licensing new games to be launched and also a substantial part of the portfolio is licensed, the Group thus depends heavily on the availability and quality of external developer resources. As the Group also does the further development of games that already generate revenues in-house; it also depends on the availability of skilled developers.

If the Group is not able to successfully introduce new technologies and/or games and platform services to the market in time or to further optimize the technologies, games and/or platform services already offered and publish successful updates, the competitive position and growth opportunities of the Group would be adversely affected. Moreover, the Group might not sufficiently meet the demands and/or expectations of the Group's customers in the different markets in which the Group operates. The consideration of regional or target group specific characteristics including the different languages represents an additional challenge with regard to the identification and implementation of trends. This requires the use of technical, human and financial resources.

Any delay or prevention of the introduction of improved or new technologies, games and/or platform services into the product offering or their lack or delayed market acceptance as well as any incorrect introduction of technologies would have a negative impact on the Group’s business, financial position and results of operations.

Specific risks related to the Group´s business in the gaming segment

Competition in the gaming segment

The publishing market online, console and mobile games in Europe and North America in which the Group operates, mainly via the gamigo Group companies, is subject to intense competition and is characterized by constant change. The market is also highly fragmented. The Group's main market is North America, but also most other jurisdictions where the Group is active, includes a large number of small and medium-sized providers of online, console and mobile games. The Group competes with large companies but also with medium-sized and small companies that offer online, console and mobile games. In addition, internationally active providers of online, console and mobile games are increasingly trying to gain market shares in the Group's business segments.

Some existing competitors have had a comparatively longer period of business activity, and have a comparatively higher level of awareness, a broader customer base and/or significantly larger financial and technical resources. Competitors might be able to react faster to new or developing technologies or standards and to changes in customer requirements, or spend more resources on the development, marketing, acquisition of game licenses and distribution of online, console and mobile games, and/or offer competitive online, console and mobile games at a lower price or in other business models.

Other providers that have so far been active exclusively in other, possibly adjacent markets and in some cases have considerably higher technical and financial resources may decide to enter the market for online, console and mobile games.

Furthermore, new competitors may enter the market or new alliances may form between competitors that could gain significant market share in a short period of time. Increased competition could lead to price pressure, reduced margins and a loss of market share. In addition, consolidation of the market has accelerated in recent years as a result of takeovers of game providers of various sizes. If this process continues, the existing price and competitive, for example in the fields of acquisition of companies, assets, intellectual property rights as well as launches and user acquisition, pressure is likely to intensify further.

Should any of these risks materialize, it could have an adverse effect on net assets, financial position, market share, acquisition opportunities and results of operations of the Group.

Consumer behaviour in the gaming segment

The Company's subsidiary gamigo offers more than 5,000 casual games and over 30 massively multiplayer online games ("MMOs"), belonging to a variety of different genres. All of gamigo’s games are free-to-play. The game selection includes first-person shooters, fantasy role playing games ("RPGs"), building-strategy games, mobile- and casual games. The sales of the Group's products depend upon the buying power, purchase patterns and user behaviour of its end consumers. Changes in customers' preference or purchasing patterns may adversely affect the Group's net sales. The willingness of consumers to purchase the Group's products and use its services may decrease due to external factors, such as a general downturn in the economy, which affect the consumers buying power or purchase patterns. If the willingness of end consumers to buy the Group’s products decreases, it will have an adverse effect on the Group's sales, earnings and financial position. The Group's ability to maintain existing, and attract new, customers depends upon the Group's ability to identify and anticipate future market changes, changes in customer behaviour and trends early on and to rapidly react on existing and future market needs. If the Group fails to identify, anticipate and react to market changes or trends, this could have an adverse effect on the Group's business, earnings or financial position.

Competition in portals specializing in casual games

The Group offers so-called casual games on specialized portals, which are generally and not exclusively licensed by game developers. The revenue model for casual games on specialized portals is based on the free-of-charge availability of such games for a limited period of time (usually for one hour), following which the users may continue using the full version of the game for a flat fee. As an alternative also subscription models are being used.

These or comparable portals or games that are offered via the portals may be offered on the market free of charge by other publishers, for example based on application of a revenue model based on the use of advertisements instead of flat fees or subscriptions. If this risk was to materialize, it could force the members of the Group to change their revenue model for such portals or to stop offering these portals to the market due to decreasing revenues or margins. Casual games offered on specialized portals might also become less attractive to users. If any of these risks were to materialize, it could have an adverse effect on the net assets, financial position and/or results of operations of the Group.

Dependency on certain games in the gaming segment

The success of the Group in the game publishing division depends crucially on the success of the major revenue generating Top 10 games Trove, ArcheAge, Desert Operations, Fiesta, Rift, Aura Kingdom, Grand Fantasia, Defiance, Shaiya and Last Chaos. The success of the Group therefore depends on the success of these games, so that the failure or absence of success or the non-renewal of the licenses or technical problems could lead to a loss of sales even for one of the aforementioned games and thus have a negative impact on the Group’s earnings, financial position and cash flows.

Dependency on successful marketing activities in the gaming segment

The success of the Group depends among others on the success of the online, console and mobile games offered. New users are attracted in particular by online marketing measures, but also by means of TV campaigns and social media channels, whose success thus plays a key role. For the financial year 2018, the Group’s marketing expenditures for its B2C portfolio amounted to EUR 3 million.

The Company believes the marketing environment is difficult. There is increasing competition for advertising space. There are also more and more forms of advertising/platforms, increasing regulations and technical requirements, fraud by marketing partners and the associated quality reductions and cost increases. Business Intelligence systems are very important for optimization but are always challenged by the changes in the portfolio as well as technical changes. With its own media specialists Adspree, Mediakraft, Applift, PubNative and Verve the Group has a big competitive advantage versus peers, but also these companies face the challenges of the market. If the online, TV or social media marketing measures do not have the desired success with the consequence that fewer users are won through such marketing channels or customer acquisition becomes more expensive or inefficient, this would have an adverse effect on the business activities and thus negatively affect the Group’s net assets, financial position and results of operations.

Dependency on the number of paying users

The online, console and mobile games offered by the Group are to a great extent free of charge. The Group only generates revenues from these games if the users purchase virtual goods that improve or embellish the playing possibilities for the users or the characters they play or accelerate the progress of the game using a previously purchased virtual currency. The Group's success therefore depends on a substantial proportion of users being prepared to purchase virtual currency and thus virtual goods with real money.

Should it not be possible to attract a sufficient number of users who are prepared to purchase virtual currency and thus virtual goods or should a lack of attractiveness of the virtual goods offered result in fewer users being prepared to purchase virtual currency and thus virtual goods, this would have an adverse effect on the Group’s earnings, financial position and cash flows.

Dependency on leading game platforms

The Group depends on the leading platforms in western markets, such as Steam, Sony Playstation and Microsoft X-Box, as well as the Google Play Store and the Apple App Store for the sale of games.

The cost, quality and availability of using these platforms are not under the Group’s control. Also, the approval process for these platforms can be negative or more protracted than expected, meaning that the business activity of the Group may be delayed or even hindered. Any changes to and related to the platforms mentioned therefore have the potential of a negative effect on the net assets, financial position and results of operations.

Ability to maintain a successful games portfolio

The Group's diverse portfolio has been build-up through company acquisitions, purchasing of game licenses as well as worldwide publishing rights. The Group mainly licenses online, console and mobile games that were developed by third parties. The Group's availability to new games therefore depends on access to licenses to successful online, console and mobile games which are to a great extent produced by external development studios. If new licenses are not available on the market for the Group or these newly licensable games are not technically flawless or experience programming errors or similar malfunctions, this would have a negative effect on business activity. Furthermore, new games licensed by the Group could still be in development when licensed and game concepts might turn out to be not feasible or not marketable in early stages of the development or at all, which could lead to that new game projects are cancelled. The unavailability of licenses to successful online, console and mobile games, or delays in the start of a new game as well as increases of related cost can have a negative impact on business development.

Specific risks related to the Group´s business in the media segment

Risks related to international operations and expansion in the media segment

Due to its M&A activities the Group has offices in several countries and its products and services are available in multiple languages. The Group expects that its future success is predicated on its ability to continue to expand its existing international operations and on opening or acquiring companies with offices in new jurisdictions and expanding the offerings in new languages. However, the Group has limited operating history and the ability to manage its business and conduct the operations internationally requires considerable management attention and resources and is subject to the particular challenges of supporting a rapidly growing business in an environment of multiple languages, cultures, customs, legal and regulatory systems, alternative dispute systems and commercial markets. Further expansion of the Group's products and services may prove to be unsuccessful due to regional differences in consumer behaviour, business model, competitive landscape and regulation. For instance, in some countries app developers have strongly developed their own ad monetisation platforms, which may prevent the Group from successfully and profitably entering such markets. International expansion has required and will continue to require the Group to invest significant funds and other resources. Operating internationally subjects the Group to new risks and may increase risks that it currently faces, including risks associated with the following:

- not being able to monetize its products and services internationally as effectively as it has in the past as a result of competition, advertiser demand, differences in the digital advertising market and digital advertising conventions, as well as differences in the way that users in different countries access or utilise the Group's products and services;
- recruiting and retaining talented and capable employees in foreign countries and maintaining a consistent company culture across all of its offices;
- providing the products and services and operating across a significant distance, in different languages and among different cultures, including the potential need to modify the products, services, content and features to ensure that they are culturally relevant in different countries;
- the existence of a well-established competitor in an international market may adversely affect the Group's ability to increase its user base, attract advertisers and monetise its products in such market;
- differing and potentially lower levels, user engagement and ad engagement in new geographies;
- different levels of advertiser demand;
- compliance with applicable foreign laws and regulations, including laws and regulations with respect
- to privacy, consumer protection, spam and content, and the risk of penalties to the Group's users and individual members of management if its practices are deemed to be non-compliant;

- credit risk and higher levels of payment fraud;
- operating in jurisdictions that do not protect intellectual property rights to the same extent as existing markets;
- complying with anti-bribery laws including, without limitation, complying with the Foreign Corrupt Practices Act and the UK Bribery Act, including by the Group's business partners;
- currency exchange rate fluctuations;
- foreign exchange controls that might require significant lead times in setting up operations in certain geographic territories and might prevent the Group from repatriating cash earned in those jurisdictions;
- political and economic instability in some countries;
- double taxation of the international earnings and potentially adverse tax consequences due to changes in the tax laws of the jurisdictions in which the Group operates;
- higher costs of doing business internationally, including increased accounting, travel, infrastructure and legal compliance costs; and
- the Group's products and services may also be used differently abroad than in the markets the Group operates. In particular, in certain international markets where Internet access is not as rapid or reliable as in the established markets, users tend not to take advantage of certain features of the Group's products and services.

In addition, the user base may expand more rapidly in international regions where the Group is less successful in monetizing its products and services. As the Group's user base continues to expand internationally, it will need to increase revenue from the activity generated by the international users in order to grow its business. The Group's further growth is predicated on a more international footprint. The Group may never achieve this. The Group's inability to successfully expand internationally could adversely affect the business, financial condition and operating results.

Continued growth in usage of mobile connected devices

The Group's business depends on the continued proliferation of mobile connected devices, such as smartphones and tablets that can connect to the Internet over a cellular, wireless or other network as well as the increased consumption of content through those devices. Consumer usage of these mobile connected devices may be inhibited for a number of reasons, such as:

- inadequate network infrastructure to support advanced features beyond just mobile web access;
- users' concerns about the security of these devices;
- users' concerns about any negative health impact of these devices;
- inconsistent quality of cellular or wireless connection;

- changes in costs of smartphones; prices of smartphones may not reduce as they have done so previously;
- users' concerns regarding data protection and data usage
- unavailability of cost-effective, high-speed Internet service;
- changes in network carrier pricing plans e.g. charging device users for the amount of data consumed; and
- changes in users’ behaviour.

For any of these reasons or similar, users of mobile connected devices may limit the amount of time they spend on these devices and the number of apps they download on these devices. If user adoption of mobile connected devices and consumer consumption of content on those devices do not continue to grow, the Group’s total addressable market size may be significantly limited, which could compromise its ability to increase the Group’s revenue and become profitable.

Overall demand for advertising in the media segment

The Group’s business highly depends on the overall demand for advertising and on the economic success of the Group’s current and potential publishers and advertisers. If advertisers reduce their spending on advertising, the Group’s revenue and results of operations are affected. Many advertisers spend a higher amount of their advertising budgets in the fourth quarter of the calendar year due to increased holiday purchasing or for budget reasons. If advertisers reduce the amount of their advertising spending during the fourth quarter (or an earlier quarter), or if the amount of inventory available to advertisers during that period is reduced, this could have an adverse effect on the Group’s revenue and operating results for that fiscal year. Economic downturns or instability in political or market conditions may cause advertisers to reduce their advertising budgets. Reductions in inventory would make the Group’s solution less attractive to advertisers. Moreover, any changes in the treatment of advertising expenses and the deductibility of such expenses for tax purposes would likely cause a reduction in advertising demand. In addition, concerns over the sovereign debt situation in certain countries in the European Union, question marks over the speed of recovery of the US economy and concerns over China among others, as well as continued geopolitical turmoil in many parts of the world have and may continue to put pressure on global economic conditions, which could lead to reduced spending on advertising.

Seasonality of advertising spending in the media segment

The Group’s results of operations and cash flows vary from quarter to quarter due to the seasonal nature of advertising spending. In contrast to the higher amount of advertising budgets spent during the fourth quarter, the first quarter of the calendar year is typically the slowest in terms of advertising spend. This affects the Group’s results of operations, cash flows and cash requirements. Seasonal fluctuations could become more pronounced in the future. In addition, digital advertising spend is volatile and unpredictable. As a result, in times of lower advertising spend than expected the Group’s revenues may be materially adversely affected. Similarly, in times of higher and instantaneously increasing advertising spend and traffic, the Group’s platform must be able to support substantial increases in the number of publishers and advertisers generating traffic, and to support the variety of advertising formats whilst maintaining a stable and effectively functioning infrastructure and reliable service to customers. This flexibility and stability requires significant investments in both organisation and technology, which increases the Group's cost base.

Novelty of mobile advertising market in the media segment

The substantial majority of the Group's revenue in the media segment is derived from customers that purchase mobile advertising through the Group's platform either on a self-serve basis or via the Group executing campaigns for them. The Group expects that spend on mobile advertising will continue to be its main source of revenue for the foreseeable future in the media segment, and that the Group's revenue growth will depend on increasing mobile advertising spend through its platform. The market for mobile advertising is an emerging market and today advertisers generally devote a growing portion of their advertising budgets to digital advertising, while the spend for traditional advertising methods, such as TV, newspapers, radio and billboards is declining. The Group's current and potential customers may find mobile advertising to be less effective than other brand advertising methods, and they may reduce their spending on mobile advertising as a result. Emerging channels such as mobile and social media are still quite young and may not or not rapidly enough develop into viable channels.

The future growth of the Group's business could be constrained by both, the level of acceptance and expansion of digital and mobile advertising as a format and emerging digital and mobile advertising channels, as well as the continued use and growth of existing channels. Even if these new channels become widely adopted, advertisers may not increase their advertising spend through platforms such as the Group's.

If the market for mobile advertising deteriorates, develops more slowly than the Group expects or the shift from traditional advertising methods to digital advertising does not continue, or there is a reduction in demand for digital and mobile advertising caused by weakening economic conditions, decreases in corporate spending, perception that mobile advertising is less effective, less safe than other media or otherwise, it could reduce demand for the Group's offerings, which could decrease revenue or otherwise adversely affect its business.

The Group's current and potential customers may also suffer from increasing penetration of ad-blocking programs. Ad-blocking software has been in use on the web and in mobile browsers for some years and, whilst technically more difficult, is also coming to mobile apps. For instance, technology has been developed that sits in an operator's network and filters out any ad other than those on a whitelist. This could significantly impact advertisers' campaigns and as such the demand for mobile advertising and revenues as well as it could change the economics in the mobile ecosystem and decrease the share intermediaries can capture. If ad-blocking technology for mobile apps becomes more widespread, this could impact the Group's offerings and positioning, which could significantly decrease revenue and margin.

Working for direct competitors

The Group markets computer games and other products and services from third parties, among other things, through its subsidiaries in the media segment. In this business segment, there are similar markets risks as in the game publishing sector, as well as risks concerning customer relationships. The size and therefore the importance of existing customers is growing. This business segment consists of campaign based revenues as well as revenue streams from revenue shares that have longer reliable sustainability. As the Group's media companies are also working for direct competitors of the Group, the separation of the business divisions (known as Chinese walls) are deemed to be adequate by the customers. Any doubts in customers' minds as to this Chinese-walls principle could have a significant impact on Group's media segment's volume of business and therefore also negatively affect the business activities and the net assets, financial position and results of operations of the whole Group.

Leading global technology companies may undermine the Group's revenue model in the media segment

In many cases, the parties that control the development of mobile connected devices and operating systems include the Group's most significant competitors in the mobile advertising industry. For example, Apple controls two of the most popular mobile devices, the iPhone and the iPad, as well as the iOS operating system that runs on them. Apple controls the app store for downloading apps that run on Apple's mobile devices and Google controls the Android operating system and Google Play. The Group depends on the interoperability of its products and services with popular devices, desktop and mobile operating systems and web browsers that it does not control, such as Android, iOS, Chrome, Internet Explorer and Firefox. Any changes in such systems, devices or web browsers that degrade the functionality of the Group's products and services or give preferential treatment to competitive products or services could adversely affect usage of the Group's products and services. If the Group's mobile advertising platform were unable to work on these devices or operating systems, either because of technological constraints or because the maker of these devices or publisher of these operating systems wish to impair their competitors' ability to compete with them or such competitors' ability to fulfil advertising space, or inventory from developers whose apps are distributed through their control channels, the Group's ability to generate revenue could be significantly affected. This might have an impact on the Group's ad formats and/or revenue model (e.g., rewarded formats), as for example Apple and Google could bar certain apps or clients from their apps store which are important to the Group and could give preference to their own products and services. Consequently, leading global technology companies such as Apple and Google have the power to undermine the revenue model of the Group.

Further, if the number of platforms for which the Group develops its product expands, this can result in an increase in the Group's operating expenses. In order to deliver high-quality products and services, it is important that the Group's products and services work well with a range of operating systems, networks, devices, web browsers and standards that it does not control. In addition, because a majority of its users access the products and services through mobile devices, the Group depends on the interoperability of its products and services with mobile devices and operating systems. The Group may not be successful in developing relationships with key participants in the mobile industry or in developing products or services that operate effectively with these operating systems, networks, devices, web browsers and standards. In the event that it is difficult for the Group's users to access and use the products and services, particularly on their mobile devices, the user growth and engagement could be harmed, and the business and operating results could be adversely affected.

Lack of control over information technology systems over services are provided in the media segment

The Group's mobile platform and smartphone operating systems depend on the reliability of the network operators and carriers who maintain sophisticated and complex mobile networks, as well as the Group's ability to deliver ads on those networks at prices that enable the Group to realize a profit. Mobile networks have been subject to rapid growth and technological change, particularly in recent years. The Group does not control these networks.

Mobile networks could fail for a variety of reasons, including new technology incompatibility, degradation of network performance under the strain of too many mobile consumers using the network, general failure from natural disaster or political or regulatory shut-down. Individuals and groups who develop and deploy viruses, worms and other malicious software programmes could also attack mobile networks and the devices that run on those networks. Any actual or perceived security threat to mobile devices or any mobile network could lead existing and potential device users to reduce or refrain from mobile usage or reduce or refrain from responding to the services offered by the Group's advertising clients. If the network of a mobile operator should fail for any reason, the Group would not be able to effectively provide the Group's services to its clients through that mobile network. This in turn could hurt the Group's reputation and cause the Group to lose significant revenue.

Mobile carriers may also increase restrictions on the amounts or types of data that can be transmitted over their networks or change their pricing plans. The Group currently generates revenue from its advertiser clients based on the type of ads the Group delivers, such as display ads, rich media ads or video ads. In some cases, the Group is paid by advertisers on a cost-per-thousand, or CPM, basis depending on the number of ads shown. In other cases, the Group is paid on a cost-per-click, or CPC, cost per install, or CPI, or cost-per-action, or CPA, basis depending on the action taken by the mobile device user. Different types of ads consume differing amounts of bandwidth and network capacity. If a network carrier were to restrict amounts of data that can be delivered on that carrier's network or change pricing plans, block ads on their networks, or otherwise control the kind of content that may be downloaded to a device that operates on the network, it could negatively affect the Group's pricing practices and inhibit the Group's ability to deliver targeted advertising to that carrier's users, both of which could impair the Group's ability to generate revenue.

Changes in market power among publishers, intermediaries and advertisers in the media segment

The Group's operating subsidiaries, Applift, Pubnative and Verve provide technical solutions for app publishers to monetise ad advertise their apps and generate revenue by matching the app publishers' ad inventory with demand from advertising companies targeting specific types of app users in particular geographies.

Applift, Pubnative and Verve receive a portion of the payment the advertisers are paying for placing ads into the apps of the publishers. Applift, Pubnative and Verve therefore focus on maximising their revenues after inventory acquisition costs on an absolute basis. The Group believes this focus fortifies a number of its competitive strengths, including continuous improvement of the Group's scalable and adaptable technology platform. As part of this focus, the Group intends to continue to invest in building relationships directly with publishers, increasing access to leading advertising exchanges and enhancing the quality and liquidity of its advertising inventory supply. This includes purchasing advertising inventory that may have a lower margin on an individual impression basis and may be less effective in generating clicks. In addition, the Group experiences and expects to continue to experience, increased competition for advertising inventory purchased on a programmatic basis. Changes in the ad value chain, where programmatic buying results in intermediaries such as the Group might become less important or where other new models emerge, may result in increased margin pressure for the Group.

The Group's business will also suffer to the extent that the Group's publisher clients and advertiser clients purchase and sell mobile advertising directly from each other or through other companies that act as intermediaries between publishers and advertisers. For example large owned and operated companies such as Twitter, Facebook, Google and Yahoo, which have their own mobile advertising capabilities, may decide to sell third-party ad inventory which would have been sold by the Group's services otherwise. Therefore margin pressure for the Group also results from the concentration of publishers, advertisers and/or intermediaries along the value-chain as such shifting buying power across the industry. If publishers decide not to make advertising inventory available to the Group for any of these reasons, or decide to increase the price of inventory, then the Group's revenue could decline and the Group's cost of acquiring inventory could increase. If for any other reason there is a shift in the buying power among the app publishers, other intermediaries and the advertisers respectively, this may negatively impact the Group's margins or even significantly impact the Group's ability to generate revenue and increase its costs of sale.

Sales efforts with advertisers and publishers may prove unsuccessful in the media segment

Attracting new advertiser and publisher clients requires substantial time and expense, and the Group may not be successful in establishing new relationships or in maintaining or advancing its current relationships as the Group operates in a fragmented landscape and it relies on intermediaries. For example, it may be difficult to identify, engage with and market to potential advertiser clients, directly or through intermediaries, who do not currently spend on mobile advertising or are unfamiliar with the Group's current services or platform.

The novelty of the Group's services and its business model often require the Group to spend substantial time and effort educating potential advertiser and publisher clients about the Group's offerings, including providing demonstrations and comparisons against other available services. This process can be costly and time-consuming. If the Group is not successful with advertisers and publishers, its ability to maintain and grow its effective sales, revenue and profits may be adversely affected.

Lack of long-term agreements with advertisers and publishers in the media segment

The Group's contracts with advertisers and publishers generally do not provide for any minimum volumes or may be terminated on relatively short or no notice and without penalty. Advertisers' and publishers' needs and plans can change quickly, and advertisers or publishers may reduce volumes or terminate their arrangements with the Group for a variety of reasons, including financial issues or other changes in circumstances, new offerings by or strategic relationships with the Group's competitors, change in control, or declining general economic conditions. Technical issues could also cause a decline in spending. As a result, the Group has limited visibility as to its future advertising revenue streams. The Group cannot guarantee that its advertiser and publisher clients will continue to use its services or that the Group will be able to replace, in a timely or effective manner, departing clients with new clients that generate comparable revenue. In addition, the Group's agreements typically do not restrict the publishers from entering into agreements with other companies, including the Group's competitors. There is no guarantee that the partners with which the Group entered into an agreement will continue to obtain services of the Group on commercially acceptable terms, or at all, after the term of the current agreement expires, or that they will not terminate the existing services on short notice, which could lead to a slow down or a drop in revenue and harm the Group's reputation.

Reliance on large advertisers and publishers in the media segment

Certain large advertisers and publishers have accounted for and will continue to account for a large share of the Group's business. Whilst no advertiser or publisher had accounted for more than 10% of revenue and the top 10 advertisers or publishers were less than 50% in the last financial year, respectively, the retention of large advertisers and publishers is important to the Group's operating results as well as the robustness of its exchange. The number of large media advertisers in the market is finite, and it could be difficult for the Group to replace revenue loss from any advertisers or publishers whose relationships with the Group diminish or terminate. Just as growth in the Group's inventory strengthens advertisers' activity as a result of network effects, loss of inventory or advertisers could have the opposite effect. Loss of revenue from significant advertisers or failure to collect accounts receivable, whether as a result of advertiser payment default, contract termination, or other factors, or significant reductions in inventory, could have a significant negative impact on the Group's reputation, its results of operation and overall financial condition.

Platform services

The Group partly already offers and further plans to roll out platform services, which are offered to game developers and game publishers as well as other companies and include media services such as lead generation and online-marketing. Should these "platform services" show defects or be of bad quality, game developers and game publishers or other customers using these services may be lost as customers of this platform, resulting in revenue losses.

The Group enters into standardized agreements with game developers, game publishers and other companies for using the “platform services”. Under these agreements service terms are being agreed. Successfully asserted claims arising from breaches of the contractual relationship for the services of "platform services" could oblige the Group to pay substantial damages. Even the assertion by customers or third parties that the Group provides its platform services incorrectly could lead to economic damage. In addition, the reputation of the Group would suffer considerable damage if "platform services" were disrupted.

COVID-19

Due to the COVID-19 pandemic, many companies are facing major challenges in the coming months due to extensive political restrictions. Due to the crisis, economists are expecting a recession and this is currently supported by the decline in sales of products and services. However, the gamigo Group has the opportunity to emerge stronger from the crisis. Especially the online and mobile games market is currently growing. More users have registered in the games due to the initial restrictions imposed by governments. In the Media division, a slight decline in sales is expected in the medium term for customers in the travel and retail sector. However, this can be compensated by increased marketing budgets of gaming companies. In addition, the Gamigo group's short- and medium-term risk from the crisis is considered low. If the crisis continues until the end of Q3 2020 and beyond, the gamigo group expects a decline in purchasing power.

7. Short description of the issuer's administrative, management and supervisory bodies

Members of the Company's Board of Directors:

- Remco Westermann – Chief Executive Officer and chair of the board

  Remco Westermann, born 1963, has been the chief executive officer of gamigo since November 2012 and the chairman of the Company's Board of Directors since May 2018. Remco holds a master's degree in business economics and has over 25 years of professional experience, over 15 years of which he has worked in the mobile and online entertainment industry. In the course of his career, he founded the listed company Bob Mobile AG (later Cliqdigital AG). He also helped build the mobile media company Sonera Zed and managed its German subsidiary for several years as chief executive officer. Previously, Remco was a manager at leading companies such as Balance Point and a consultant at Rost & Co. In the dynamic, highly competitive and fast growing games market, Remco has built up a leading and fast-growing online games company through a successful M&A strategy following the acquisition and repositioning of gamigo. In 2018, Remco acquired a majority stake in the Company and aligned its business model to "buy, integrate, build and improve" in the gaming and media sectors.

  As of June 30, 2020, Remco Westermann holds indirectly 33,879,846 shares in the company via its holding companies Bodhivas GmbH and Sarasvati KG. On May 9, 2018, the company granted Bodhivas GmbH the option to acquire 20,000,000 shares of the company for a purchase price of 1.20 EUR per share. The option was extended on April 15, 2020 until December 31, 2030. At the same time the purchase price was increased to 1.30 EUR per share. Of these share options, Bodhivas is making up to 10 million shares available for a phantom share programme for employees, and a further 2 million for phantom shares for the buy-out of management minority shareholders of PubNative.

- Tobias Weitzel – Non-executive director and member of the board of directors

  Tobias M. Weitzel, born in 1973, has been a member of the Company's Board of Directors since May 2018. He is an investor (equity and debt), member of the board and founder of CREDION AG, a private debt provider and special alternative investment fund (since 2017); chief executive officer and sole shareholder of BSK Becker+Schreiner Kommunikation GmbH ("BSK"), a communications advisor specialized in investor relations, corporate communications and change communications. Since 2012 he has been a member of the board of Financial Experts Association e.V., one of the leading organizations for corporate governance and independent financial experts in supervisory boards in Germany. He holds a diploma of the Cologne Journalism School for Politics and Economics. In his career as a journalist he has worked for daily newspapers, magazines, radio stations and in media and public relations for various international corporates. He has been active as a specialist for complex transformation situations at BSK since its founding in 1998. As chief executive officer, Tobias M. Weitzel has headed BSK since 1999 and, since 2011, has been the sole partner of BSK, which advises national and international clients on public and investor relations. With CREDION AG he provides private debt solutions for German small and medium-sized enterprises – e.g., to foster growth-programmes, succession, M&A, turnaround and discharging debt since 2017.

As of June 30, 2020, Tobias Weitzel holds 394,489 shares in the company, of which 333.000 shares are under a lock-up until March 2022.

- Elizabeth Para – Non-executive director and member of the board of directors

  Elizabeth Para joined the Board of Directors of the Company in January 2020. Her career in financial markets began in 1997. She has a strong technical background spanning public and private fixed income and equity markets and has worked on both the investment and client facing sides of the investment management industry. Elizabeth has a master's degree in economics and holds the title Chartered Financial Analyst (CFA). Currently she works for Candriam (New York Life Investments) in the field of institutional business development.

  As of June 30, 2020, Elizabeth Para holds 584,088 shares in the company of which 344,088 shares are under a lock-up until March 2022.

The Company's board of directors does not receive any remuneration. In the financial year ended 31 December 2019 the Company's executive board member and Chief Executive Officer Remco Westermann received a total amount of kEUR 223 as remuneration from gamigo AG, plus benefits in kind.

None of the foregoing persons has had convictions in relation to fraudulent offences, any bankruptcies, receiverships or liquidations, any official public incrimination and/or sanctions by statutory or regulatory authorities (including professional bodies) for the previous five years.

III. Essential information about the securities and the inclusion

1. Short description of the securities

This inclusion document pertains to the Company's ordinary shares with a nominal value of EUR 1.00 each, bearing the ISIN MT0000580101.

The Company's shares are intended to be invested in by institutional and retail investors as well as appropriate counterparties pursuing general asset accrual or optimization goals and having a mid-term or long-term investment horizon and basic knowledge or experience with investing in securities. Potential investors may lose some or all of their investment.

The shares are denominated in Euro and have been issued in accordance with the provisions of the Companies Act and the Commercial Partnerships Ordinance, 1962 (Cap. 168 of the laws of Malta), and with effect from 31 December 1997.

The issued share capital is presently EUR 70,020,000.00 divided into 70,020,000 ordinary shares, all of which have been fully paid.

The shares are freely transferrable, have no par value and form part of the Company's equity.

All shares are entitled to a share of any liquidation proceeds or insolvency surplus (if any) at the ratio proportionate to the interest they hold in the share capital. In general, whenever the company proposes to issue shares, shareholders have the right to subscribe for new shares in a ratio proportionate to the respective interest they hold in the company’s share capital (pre-emption right). In certain cases, the board of the company can withdraw shareholders` pre-emption rights according to the company`s articles of association and Maltese law. In the event of insolvency, shareholders’ rights of repayment are generally subordinated to those of the company's creditors.

The shares carry full dividend rights from 1 January 2019. The Company has not paid any dividends to date and has no present intention of recommending the declaration or payment of any dividends in the foreseeable future.

The Company does not have any share participation programme at this time but may introduce one in the future. On April 15, 2020, the Board of Directors approved the development of a phantom share program. Bodhivas GmbH has agreed to make available up to 10 million shares from its existing option for a possible employee phantom share program. The Board of Directors has decided that a possible phantom share program may not exceed 10% of the outstanding capital and that the first sale of phantom stock is only possible 4 years after start of the program.

The following capital increases from contributions in kind are expected to be executed until August 2020:

- 3,967,582 new MGI shares, which will be delivered to fulfil the purchase price for AppLift GmbH. Bodhivas GmbH has delivered the purchase price shares as a share loan to the AppLift sellers to bridge the period before the dematerialization of the new shares. After successful capital increase by contribution in kind, Bodhivas will receive the newly created

3,967,582 MGI shares. The share capital thus increases by 3,967,582 shares with a nominal value of 1 Euro each; and

- As part of the increase in the stake in gamigo, a large number of gamigo minority shareholders were offered MGI shares to offset the cash obligation of the company versus those shareholders. The MGI shares will be created by a capital increase through contribution in kind. The transaction is expected to result in the creation of 18,085,925 million new MGI shares which will be issued to the minority shareholders.

After the two capital increases, the share capital is expected to be 92,073,507

2. Lock-up agreements

The Company's shares are currently subject to “lock up” agreements as follows:

- Former gamigo minority shareholders have entered into a lock-up agreement, in respect of total 5,872,995 Media and Games Invest plc shares. The lock up period ends on 1 March 2022, except in respect of 37.665 Media and Games Invest plc shares, for which the lock up period ends on 1 March 2021.

3. Short description of essential risk factors specific to the securities

Share Price Fluctuations

The trading volume and share price of the Company’s shares may fluctuate significantly in the future. The Company’s share price will be affected primarily by the supply and demand for its shares and could fluctuate significantly in response to numerous factors, many of which are beyond the Company’s control. These factors include, among others, fluctuations in actual or projected results of operations, changes in projected earnings or failure to meet securities analysts’ earnings expectations, the absence of analyst coverage on the Company’s shares, changes in trading volumes in the Company’s shares, changes in macroeconomic conditions, including fluctuations in foreign currencies, the activities of competitors and suppliers, changes in the market valuations of similar companies, changes in investor and analyst perception of the Company or its industry, changes in the statutory framework in which the Company operates and other factors. If the Company’s share price or the trading volume in its shares declines as a result of the realization of any or all of these events, investors could lose part or all of their investment in the Company’s shares.

Substantial Shares Sales

Sales of a substantial number of the Company’s shares in the public market following the listing of the Company’s shares, or the perception that such sales might occur, could depress the market price of the Company’s shares and could impair the Company’s ability to raise capital through the sale of additional equity securities. If this happens, or if one or more of the Company’s shareholders effect a sale or sales of a substantial number of the Company’s shares, or if the market believes that such sales might take place, this could have a material adverse effect on the share price of the Company's shares.

Future Securities Offerings

The Company may require further capital in the future to finance its business operations and planned growth or to fulfil regulatory requirements. Therefore, the Company may seek to raise capital through offerings of additional debt securities or equity securities. An issuance of additional equity securities or securities with a right to convert into equity, such as convertible bonds or warrant bonds, could adversely affect the market price of the Company's shares and would dilute the economic and voting interests of existing shareholders if made without granting subscription rights to existing shareholders. Even if existing shareholders were granted subscription rights, investors in certain jurisdictions (particularly in the U.S.) may not be able to acquire or exercise any subscription rights due to local laws.

Because the timing and nature of any future offering would depend on market conditions, it is not possible to predict or estimate the amount, timing or nature of future offerings. In addition, the acquisition of other companies or investments in companies in exchange for newly issued shares of the Company, as well as the exercise of stock options by the Company's employees in the context of future stock option programs or the issuance of shares to employees in the context of such programs, could lead to a dilution of the economic and voting interests of existing shareholders. Furthermore, a proposal to the general shareholders' meeting to take any of the above mentioned measures, with dilutive effects on the existing shareholdings, or any other announcement thereof, could adversely affect the market price of the Company's shares.

Dividends

The Company's decisions relating to the payment of future dividends will be based on the particular situation of the Company at the time. The Company's ability to pay dividends depends upon, among other things, its results of operations, financing and investment requirements, as well as the availability of distributable profit. Certain reserves must be established by law and must be deducted when calculating the distributable profit. In addition, the Company's future debt financing arrangements may contain covenants which impose restrictions on the Company's business and future debt financing arrangements may also contain covenants which limit the Company's ability to pay dividends under certain circumstances. Any of these factors, individually or in combination, could restrict the Company's ability to pay dividends. Given that the Company's shares are, and any dividends to be paid in respect of them will be, denominated in Euro, an investment in the Company's shares by an investor whose principal currency is not the Euro in addition exposes the investor to foreign currency exchange rate risk.

4. Reasons for the inclusion in Scale

The Company wishes to utilize the inclusion of its shares in the Scale segment in order to broaden the scope of potential investors in its securities. The Company will not receive any proceeds in connection with the subject matter of this inclusion document.

5. Any material interests

Because no new shares of the Company are being issued as part of this uplisting, neither the Company nor the Capital Markets Partner will receive any securities sales proceeds as a result of the inclusion of the Company's shares in the Scale segment. Hauck & Aufhäuser Privatbankiers AG has been retained to act as Applying Capital Market Partner and will receive a commission in respect of the inclusion of the Company's shares in the Scale segment. As a result of this contractual relationship, the Applying Capital Market Partner has a financial interest in the subject matter of this inclusion document. The Company's Board of Directors is in-/ directly invested in the Company. They and the other shareholders of the Company also have an interest in the subject matter of this inclusion document. Finally, the Company itself has an interest in the subject matter of this inclusion document insofar as it seeks to enhance the liquidity of its securities, increase transparency towards its shareholders and retain their trust, broaden the scope of available financing opportunities and improve the name recognition of the Company.

IV. Statements

A. The undersigned persons responsible for the inclusion document hereby declare on behalf of the Company, Media and Games Invest plc (St. Christopher Street 168, Valletta VLT 1467, Malta), that, to the best of their knowledge, the information contained in this inclusion document is in accordance with the facts and that the inclusion document makes no omission likely to affect its import.

For and on behalf of
Media and Games Invest plc

By:
Name: Remco Westermann
Title: Executive Director
Valletta, Malta
Date: 10.07.2020

By:
Name: Tobias Weitzel
Title: Non-Executive Director
Valletta, Malta
Date: 10 July 2020

B. The undersigned persons hereby declare on behalf of the Applying Capital Market Partner, Hauck & Aufhäuser Privatbankiers AG (Kaiserstraße 24, 60311 Frankfurt am Main, Germany), that, to the best of their knowledge, the information contained in this inclusion document is complete, consistent and comprehensible.

For and on behalf of
Hauck & Aufhäuser Privatbankiers AG

By:
Name: Christian von Dreising
Title: Executive Director ECM
Frankfurt, Germany
Date: 10.07.2020

By:
Name: ~~Dr Christian Weber~~ Philipp Wösthoff
Title: ~~Head of~~ Legal
Frankfurt, Germany
Date: 10.07.2020