Your Family Entertainment

(General Standard, Media, RTV GR)

WARBURG RESEARCH

Hold	
EUR **1.40**	
Price	EUR 1.22
Upside	**14.8 %**

Value Indicators:	EUR
DCF:	1.43

Warburg ESG Risk Score:	**1.3**
ESG Score (MSCI based):	3.0
Balance Sheet Score:	1.0
Market Liquidity Score:	0.0

Description:

Media company with its own content and distribution channels

Market Snapshot:	EUR m
Market cap:	12.55
No. of shares (m):	10.29
Freefloat MC:	2.51
Ø Trad. Vol. (30d):	0.48 th

Shareholders:	
Freefloat	20.0 %
F&M	66.9 %
Holler Stiftung	13.1 %

Key Figures (WRe):	2021e
Beta:	1.3
Price / Book:	0.1 x
Equity Ratio:	48 %
Net Fin. Debt / EBITDA:	5.1 x
Net Debt / EBITDA:	5.4 x

Expected development underlined

Your Family Entertainment - 2020

in EUR m	2020	2020e	2019	yoy
Sales	**3.0**	3.3	2.9	4.3%
EBITDA	**1.5**	1.2	0.0	-
margin	*48.3%*	*37.3%*	*-1.2%*	
EBIT	**0.3**	0.2	-2.1	-
margin	*10.2%*	*6.1%*	*-71.8%*	
EPS in EUR	**0.00**	0.00	-0.23	-

Comment on Figures:

- The sales figures presented for the 2020 financial year fell slightly short of expectations. This was mainly explained by lower sales in the non-strategic area of classic license sales, while the strategic areas of own streams and VoD were in line with expectations.
- However, lower costs than expected, especially for personnel, as well as a higher balance from write-ups and depreciation of the film rights portfolio, led to a stronger result than expected.

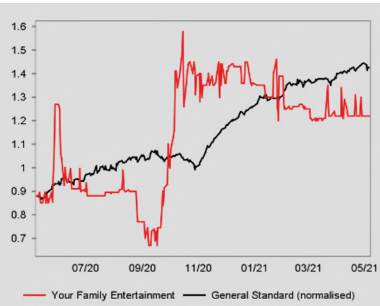
As in previous years, the company's focus will continue to be on expanding international and national broadcasting activities. In the areas of free TV with "RiC" and pay TV with "Fix & Foxi", the aim is to further develop the markets. In addition, the company has benefited from rapid development in the VoD area driven by the Covid-19 pandemic and should be able to achieve the targeted growth rates in this area (WRe 26% 2019-2022). The most important strategic developments in the recent past included the partnership with Blue Ant Media / ZooMoo Networks (interactive nature and animal channels for children, reciprocal content cooperation), the customer acquisition of Quickline (linear broadcast by "Fix & Foxi" TV in Switzerland), a strategic content partnership with HUAWEI Video, as well as customer acquisition of the TV streaming provider Zattoo (for "RiC" TV) and V247-ONEHUBTV in Great Britain ("RiC" TV and "RiC"). Together, this forms the qualitative basis to confirm the sales expectations for the coming years (WRe). At the same time, personnel expenses are modelled to be slightly lower than previously expected. The size of the film library in the area of children's and family programmes also remains of great importance. This applies not only to deliveries to existing customers, but also to the basic equipment of new players. This aspect is important, as the DCF valuation (WRe) does not include the strategic value for a potential rights buyer, which would be far more closely aligned with the value of the film rights (i.e. historical production costs EUR 11.50 per share). **Based on a DCF model, the share continues to be rated Hold with a PT of EUR 1.40.**

Changes in Estimates:

FY End: 31.12. in EUR m	2021e (old)	+ / -	2022e (old)	+ / -	2023e (old)	+ / -
Sales	3.54	0.0 %	3.91	0.0 %	n.a.	n.m.
EBIT	0.40	7.4 %	0.59	6.1 %	n.a.	n.m.
EPS	0.01	100.0 %	0.03	0.0 %	n.a.	n.m.
DPS	0.00	0.0 %	0.00	0.0 %	n.a.	0.0 %

Comment on Changes:

- The sales forecast for 2021 remains unchanged. Besides the mentioned new clients, a normalisation of the non-strategic license rights sale was expected. In particular, lower personnel expenses, which is expected to continue in the medium term, should also have a slightly positive effect on earnings in the future.
- Percentage deviation in EPS is due to a low base and rounding error.



Rel. Performance vs General	
1 month:	n/a
6 months:	-46.3 %
Year to date:	-23.4 %
Trailing 12 months:	-27.3 %

Company events:	
30.09.21	H1

FY End: 31.12. in EUR m	CAGR (20-23e)	2017	2018	2019	2020	2021e	2022e	2023e
Sales	12.4 %	5.09	3.21	2.91	3.04	3.54	3.91	4.31
Change Sales yoy		37.5 %	-36.9 %	-9.3 %	4.3 %	16.8 %	10.3 %	10.3 %
Gross profit margin		*79.9 %*	*64.8 %*	*60.7 %*	*67.8 %*	*67.0 %*	*67.0 %*	*67.0 %*
EBITDA	7.0 %	5.44	0.56	-0.04	1.47	1.45	1.65	1.80
Margin		*106.9 %*	*17.5 %*	*-1.2 %*	*48.3 %*	*41.0 %*	*42.2 %*	*41.7 %*
EBIT	35.1 %	1.16	-3.93	-2.09	0.31	0.43	0.62	0.77
Margin		*22.9 %*	*-122.4 %*	*-71.8 %*	*10.2 %*	*12.0 %*	*15.9 %*	*17.8 %*
Net income	120.7 %	0.88	-4.22	-2.37	0.05	0.17	0.36	0.51
EPS	-	0.09	-0.41	-0.23	0.00	0.02	0.03	0.05
EPS adj.	-	0.09	-0.41	-0.23	0.00	0.02	0.03	0.05
DPS	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividend Yield		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
FCFPS		-0.03	0.01	-0.05	-0.01	0.02	0.04	0.05
FCF / Market cap		-2.1 %	0.5 %	-3.9 %	-0.8 %	16.9 %	32.3 %	44.3 %
EV / Sales		3.8 x	6.9 x	6.8 x	6.2 x	n.a.	n.a.	n.a.
EV / EBITDA		3.5 x	39.4 x	n.a.	12.9 x	n.a.	n.a.	n.a.
EV / EBIT		16.5 x	n.a.	n.a.	61.1 x	n.a.	n.a.	n.a.
P / E		17.7 x	n.a.	n.a.	n.a.	61.0 x	40.7 x	24.4 x
P / E adj.		17.7 x	n.a.	n.a.	n.a.	61.0 x	40.7 x	24.4 x
FCF Potential Yield		28.3 %	2.5 %	-0.2 %	7.7 %	n.a.	n.a.	n.a.
Net Debt		2.81	7.30	7.89	7.99	7.78	7.39	6.85
ROCE (NOPAT)		6.1 %	n.a.	n.a.	1.8 %	2.6 %	3.8 %	4.8 %
Guidance:	Slight increase in sales, slightly positive EBITDA							

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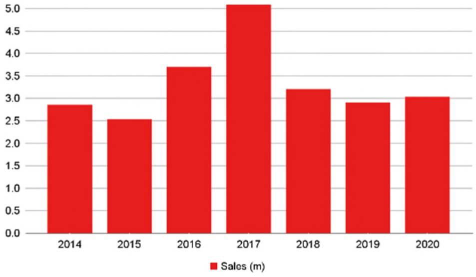
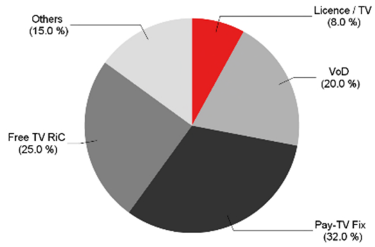
Sales development
in EUR m



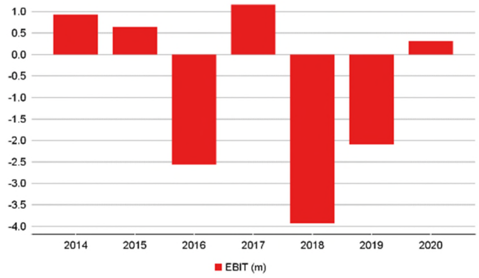
Source: Warburg Research

Sales by segments
2021e; in %



Source: Warburg Research

EBIT development
in EUR m



Source: Warburg Research

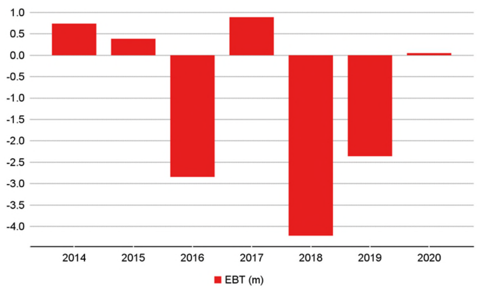
Company Background

- Your Family Entertainment originated from the former RTV AG
- At the core of the business activity is the company's own film assets as well as licences and rights that are utilised by the company to generate value
- Today, the company focuses on generating value from the content (which includes classics like "Fix and Foxi", Enid Blyton, and "Urmel") as well as the marketing of ancilliary rights
- The content, which is almost entirely over 50 years old, is aimed at the target group of young children for which the content has proven to be consistently up-to-date and attractive
- Value is generated over four distribution channels: linear TV licence sales, VoD licence sales, the company's own free-TV channel Ric, and the company's own pay-TV channel stream "Fix and Foxi"

Competitive Quality

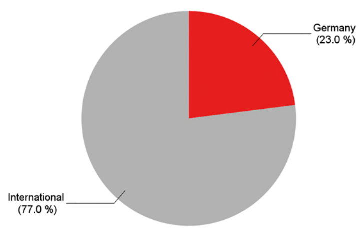
- The group's media catalogue, for which the original acquisition costs were ca. EUR 120m, is practically impossible to replicate today (original production value EUR 1.2bn)
- The productions, which were often financed by public broadcasters in the past, are of very high quality editorially and in terms of their craftsmanship
- With the distribution channels free-TV, VoD, and pay-TV, the company can benefit from the increase in media use, especially internationally (e.g. pay-TV in emerging economies)

EBT development
in EUR m



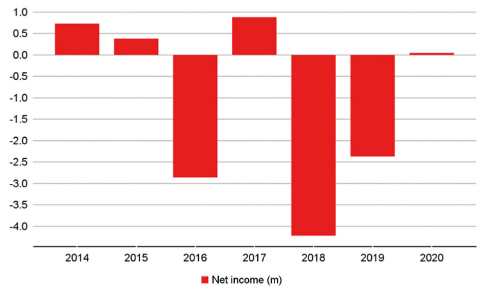
Source: Warburg Research

Sales by regions
2021e; in %



Source: Warburg Research

Net income development
in EUR m



Source: Warburg Research

DCF model

Figures in EUR m	Detailed forecast period			Transitional period										Term. Value
	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	
Sales	3.54	3.91	4.31	4.74	5.21	5.73	6.31	6.94	7.63	8.40	9.23	10.16	9.14	
Sales change	*16.8 %*	*10.3 %*	*10.3 %*	*10.0 %*	*10.0 %*	*10.0 %*	*10.0 %*	*10.0 %*	*10.0 %*	*10.0 %*	*10.0 %*	*10.0 %*	*-10.0 %*	*-10.0 %*
EBIT	0.43	0.62	0.77	0.85	1.20	1.49	1.77	2.08	2.37	2.69	3.14	3.66	3.47	
EBIT-margin	*12.0 %*	*15.9 %*	*17.8 %*	*18.0 %*	*23.0 %*	*26.0 %*	*28.0 %*	*30.0 %*	*31.0 %*	*32.0 %*	*34.0 %*	*36.0 %*	*38.0 %*	
Tax rate (EBT)	*0.0 %*	*0.0 %*	*0.0 %*	*0.0 %*	*1.5 %*	*3.0 %*	*3.5 %*	*4.5 %*	*5.0 %*	*5.6 %*	*6.0 %*	*7.0 %*	*7.3 %*	
NOPAT	0.43	0.62	0.77	0.85	1.18	1.45	1.70	1.99	2.25	2.54	2.95	3.40	3.22	
Depreciation	1.03	1.03	1.03	1.18	1.30	1.43	1.58	1.73	1.91	2.10	2.31	2.54	2.29	
in % of Sales	*29.0 %*	*26.3 %*	*23.9 %*	*25.0 %*	*25.0 %*	*25.0 %*	*25.0 %*	*25.0 %*	*25.0 %*	*25.0 %*	*25.0 %*	*25.0 %*	*25.0 %*	
Changes in provisions	0.00	0.00	0.00	-0.07	-0.02	-0.03	-0.02	-0.01	-0.04	-0.04	-0.04	-0.03	-0.03	
Change in Liquidity from														
- Working Capital	-0.01	0.00	0.00	0.00	0.03	0.03	0.01	0.01	0.01	0.01	0.01	0.01	-0.01	
- Capex	1.00	1.00	1.00	1.18	1.30	1.43	1.58	1.73	1.91	2.10	2.31	2.54	2.29	
Capex in % of Sales	*28.1 %*	*25.5 %*	*23.1 %*	*25.0 %*	*25.0 %*	*25.0 %*	*25.0 %*	*25.0 %*	*25.0 %*	*25.0 %*	*25.0 %*	*25.0 %*	*25.0 %*	
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Free Cash Flow (WACC Model)	0.47	0.65	0.80	0.79	1.13	1.38	1.68	1.97	2.20	2.48	2.90	3.36	3.20	3
PV of FCF	0.45	0.59	0.69	0.63	0.86	0.99	1.13	1.25	1.32	1.40	1.54	1.68	1.51	9
share of PVs	**7.54 %**			**53.63 %**										**38.84 %**

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	40.00 %	Financial Strength	1.30
Cost of debt (after tax)	2.5 %	Liquidity (share)	1.30
Market return	7.00 %	Cyclicality	1.30
Risk free rate	1.50 %	Transparency	1.30
		Others	1.30
WACC	**6.17 %**	**Beta**	**1.30**

Valuation (m)

Present values 2033e	14		
Terminal Value	9		
Financial liabilities	8		
Pension liabilities	0		
Hybrid capital	0		
Minority interest	0		
Market val. of investments	0		
Liquidity	0	No. of shares (m)	10.5
Equity Value	**15**	**Value per share (EUR)**	**1.43**

Sensitivity Value per Share (EUR)

		Terminal Growth						
Beta	WACC	-10.75 %	-10.50 %	-10.25 %	**-10.00 %**	-9.75 %	-9.50 %	-9.25 %
1.60	7.2 %	1.17	1.18	1.19	1.20	1.21	1.22	1.23
1.45	6.7 %	1.27	1.29	1.30	1.31	1.32	1.33	1.35
1.38	6.4 %	1.33	1.34	1.36	1.37	1.38	1.39	1.41
1.30	6.2 %	1.39	1.40	1.42	**1.43**	1.44	1.46	1.47
1.22	5.9 %	1.45	1.47	1.48	1.49	1.51	1.52	1.54
1.15	5.7 %	1.52	1.53	1.55	1.56	1.58	1.59	1.61
1.00	5.2 %	1.66	1.67	1.69	1.71	1.72	1.74	1.76

		Delta EBIT-margin						
Beta	WACC	-1.5 pp	-1.0 pp	-0.5 pp	**+0.0 pp**	+0.5 pp	+1.0 pp	+1.5 pp
1.60	7.2 %	1.10	1.13	1.16	1.20	1.23	1.26	1.29
1.45	6.7 %	1.21	1.24	1.27	1.31	1.34	1.38	1.41
1.38	6.4 %	1.26	1.30	1.33	1.37	1.40	1.44	1.47
1.30	6.2 %	1.32	1.36	1.39	**1.43**	1.47	1.50	1.54
1.22	5.9 %	1.38	1.42	1.46	1.49	1.53	1.57	1.61
1.15	5.7 %	1.45	1.49	1.52	1.56	1.60	1.64	1.68
1.00	5.2 %	1.59	1.63	1.67	1.71	1.75	1.79	1.83

- EBIT and depreciation are historically strongly distorted by the value effects of the film assets
- These will be evened out in future by notionally assuming identical appreciation and depreciation of the film assets
- The fundamental assumption framework implies an expansion (also in the very long term) of the customer base
- As a central assumption, this leads to a long-term continuous increase in the EBIT margin
- The contentious issue of the lifespan of the portfolio is simulated with a very low terminal value

Valuation

	2017	2018	2019	2020	2021e	2022e	2023e
Price / Book	1.1 x	1.4 x	1.5 x	1.3 x	0.1 x	0.1 x	0.1 x
Book value per share ex intangibles	-6.94	-7.67	-8.36	-8.42	-8.26	-7.90	-7.39
EV / Sales	3.8 x	6.9 x	6.8 x	6.2 x	n.a.	n.a.	n.a.
EV / EBITDA	3.5 x	39.4 x	n.a.	12.9 x	n.a.	n.a.	n.a.
EV / EBIT	16.5 x	n.a.	n.a.	61.1 x	n.a.	n.a.	n.a.
EV / EBIT adj.*	16.5 x	n.a.	n.a.	61.1 x	n.a.	n.a.	n.a.
P / FCF	n.a.	182.2 x	n.a.	n.a.	5.9 x	3.1 x	2.3 x
P / E	17.7 x	n.a.	n.a.	n.a.	61.0 x	40.7 x	24.4 x
P / E adj.*	17.7 x	n.a.	n.a.	n.a.	61.0 x	40.7 x	24.4 x
Dividend Yield	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
FCF Potential Yield (on market EV)	28.3 %	2.5 %	-0.2 %	7.7 %	n.a.	n.a.	n.a.

*Adjustments made for: Theoretical changes in the value of the film assets

Consolidated profit & loss

In EUR m	2017	2018	2019	2020	2021e	2022e	2023e
Sales	**5.09**	**3.21**	**2.91**	**3.04**	**3.54**	**3.91**	**4.31**
Change Sales yoy	37.5 %	-36.9 %	-9.3 %	4.3 %	16.8 %	10.3 %	10.3 %
Increase / decrease in inventory	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Own work capitalised	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Sales	**5.09**	**3.21**	**2.91**	**3.04**	**3.54**	**3.91**	**4.31**
Material expenses	1.02	1.13	1.14	0.98	1.17	1.29	1.42
Gross profit	**4.07**	**2.08**	**1.77**	**2.06**	**2.37**	**2.62**	**2.89**
Gross profit margin	*79.9 %*	*64.8 %*	*60.7 %*	*67.8 %*	*67.0 %*	*67.0 %*	*67.0 %*
Personnel expenses	1.15	1.15	1.22	1.25	1.24	1.21	1.34
Other operating income	4.07	1.09	0.41	1.52	1.10	1.10	1.11
Other operating expenses	1.54	1.45	1.00	0.86	0.78	0.86	0.86
Unfrequent items	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EBITDA	**5.44**	**0.56**	**-0.04**	**1.47**	**1.45**	**1.65**	**1.80**
Margin	*106.9 %*	*17.5 %*	*-1.2 %*	*48.3 %*	*41.0 %*	*42.2 %*	*41.7 %*
Depreciation of fixed assets	0.04	0.03	0.03	0.00	0.03	0.03	0.03
EBITA	**5.40**	**0.53**	**-0.06**	**1.46**	**1.43**	**1.62**	**1.77**
Amortisation of intangible assets	4.24	4.46	2.03	1.15	1.00	1.00	1.00
Goodwill amortisation	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EBIT	**1.16**	**-3.93**	**-2.09**	**0.31**	**0.43**	**0.62**	**0.77**
Margin	*22.9 %*	*-122.4 %*	*-71.8 %*	*10.2 %*	*12.0 %*	*15.9 %*	*17.8 %*
EBIT adj.	**1.16**	**-3.93**	**-2.09**	**0.31**	**0.43**	**0.62**	**0.77**
Interest income	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest expenses	0.27	0.29	0.27	0.26	0.26	0.26	0.26
Other financial income (loss)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EBT	**0.89**	**-4.22**	**-2.36**	**0.05**	**0.17**	**0.36**	**0.51**
Margin	*17.5 %*	*-131.4 %*	*-81.1 %*	*1.7 %*	*4.7 %*	*9.2 %*	*11.7 %*
Total taxes	0.01	0.00	0.01	0.00	0.00	0.00	0.00
Net income from continuing operations	**0.88**	**-4.22**	**-2.37**	**0.05**	**0.17**	**0.36**	**0.51**
Income from discontinued operations (net of tax)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net income before minorities	**0.88**	**-4.22**	**-2.37**	**0.05**	**0.17**	**0.36**	**0.51**
Minority interest	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net income	**0.88**	**-4.22**	**-2.37**	**0.05**	**0.17**	**0.36**	**0.51**
Margin	*17.3 %*	*-131.5 %*	*-81.5 %*	*1.6 %*	*4.7 %*	*9.2 %*	*11.7 %*
Number of shares, average	10.29	10.29	10.29	10.46	10.46	10.46	10.46
EPS	**0.09**	**-0.41**	**-0.23**	**0.00**	**0.02**	**0.03**	**0.05**
EPS adj.	0.09	-0.41	-0.23	0.00	0.02	0.03	0.05

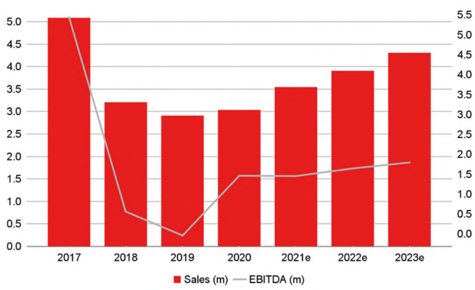
*Adjustments made for: Theoretical changes in the value of the film assets

Guidance: Slight increase in sales, slightly positive EBITDA

Financial Ratios

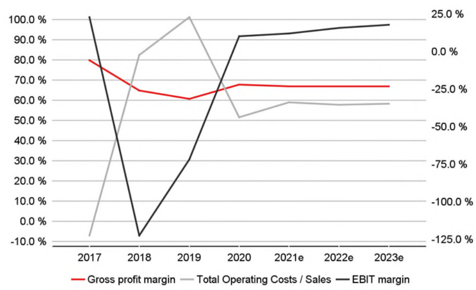
	2017	2018	2019	2020	2021e	2022e	2023e
Total Operating Costs / Sales	-6.9 %	82.5 %	101.2 %	51.7 %	59.0 %	57.8 %	58.3 %
Operating Leverage	n.a.	n.a.	5.0 x	n.a.	2.2 x	4.5 x	2.3 x
EBITDA / Interest expenses	19.9 x	1.9 x	n.m.	5.6 x	5.6 x	6.3 x	6.9 x
Tax rate (EBT)	1.0 %	0.0 %	-0.5 %	6.8 %	0.0 %	0.0 %	0.0 %
Dividend Payout Ratio	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Sales per Employee	299,250	200,500	171,196	252,946	272,634	279,109	287,203

Sales, EBITDA
in EUR m



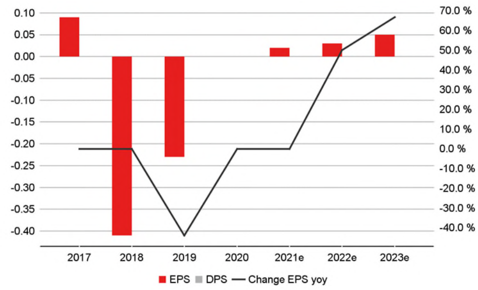
Source: Warburg Research

Operating Performance
in %



Source: Warburg Research

Performance per Share



Source: Warburg Research

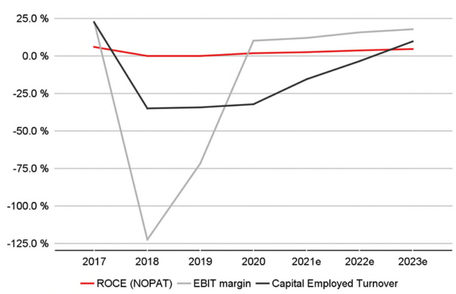
Consolidated balance sheet

In EUR m	2017	2018	2019	2020	2021e	2022e	2023e
Assets							
Goodwill and other intangible assets	21.55	18.04	16.36	16.65	16.65	16.65	16.65
thereof other intangible assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
thereof Goodwill	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Property, plant and equipment	0.06	0.03	0.03	0.02	-0.01	-0.04	-0.08
Financial assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other long-term assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fixed assets	**21.61**	**18.08**	**16.39**	**16.67**	**16.64**	**16.60**	**16.57**
Inventories	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accounts receivable	1.13	0.67	0.41	0.35	0.40	0.40	0.50
Liquid assets	4.10	1.10	1.07	0.23	0.44	0.83	1.37
Other short-term assets	0.09	0.08	0.07	0.05	0.05	0.05	0.05
Current assets	**5.33**	**1.84**	**1.55**	**0.62**	**0.88**	**1.28**	**1.92**
Total Assets	**26.90**	**19.90**	**17.90**	**17.30**	**17.50**	**17.90**	**18.50**
Liabilities and shareholders' equity							
Subscribed capital	10.29	10.28	10.27	10.39	10.39	10.39	10.39
Capital reserve	2.79	2.78	2.78	2.84	2.84	2.84	2.84
Retained earnings	1.53	-2.69	-5.06	-5.01	-4.84	-4.48	-3.98
Other equity components	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Shareholders' equity	14.61	10.37	7.99	8.22	8.39	8.75	9.26
Minority interest	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total equity	**14.61**	**10.37**	**7.99**	**8.22**	**8.39**	**8.75**	**9.26**
Provisions	0.87	0.82	0.82	0.80	0.80	0.80	0.80
thereof provisions for pensions and similar obligations	0.31	0.35	0.35	0.35	0.35	0.35	0.35
Financial liabilities (total)	6.60	8.05	8.61	7.87	7.87	7.87	7.87
Short-term financial liabilities	3.11	3.67	4.24	3.49	3.49	3.49	3.49
Accounts payable	0.75	0.60	0.43	0.34	0.40	0.40	0.50
Other liabilities	4.11	0.08	0.07	0.08	0.08	0.08	0.08
Liabilities	**12.33**	**9.54**	**9.92**	**9.08**	**9.14**	**9.14**	**9.24**
Total liabilities and shareholders' equity	**26.90**	**19.90**	**17.90**	**17.30**	**17.50**	**17.90**	**18.50**

Financial Ratios

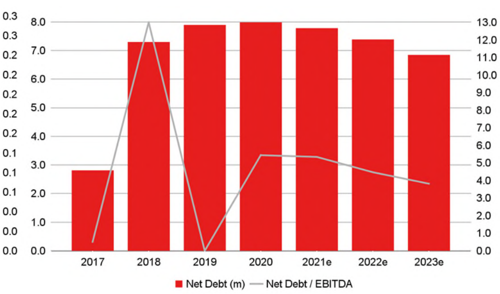
	2017	2018	2019	2020	2021e	2022e	2023e
Efficiency of Capital Employment							
Operating Assets Turnover	12.4 x	42.9 x	-339.6 x	110.0 x	-273.4 x	-85.6 x	-54.2 x
Capital Employed Turnover	0.3 x	0.2 x	0.2 x	0.2 x	0.2 x	0.2 x	0.3 x
ROA	4.1 %	-23.3 %	-14.5 %	0.3 %	1.0 %	2.2 %	3.1 %
Return on Capital							
ROCE (NOPAT)	6.1 %	n.a.	n.a.	1.8 %	2.6 %	3.8 %	4.8 %
ROE	6.2 %	-33.8 %	-25.8 %	0.6 %	2.0 %	4.2 %	5.6 %
Adj. ROE	6.2 %	-33.8 %	-25.8 %	0.6 %	2.0 %	4.2 %	5.6 %
Balance sheet quality							
Net Debt	2.81	7.30	7.89	7.99	7.78	7.39	6.85
Net Financial Debt	2.50	6.95	7.54	7.64	7.43	7.04	6.50
Net Gearing	19.2 %	70.3 %	98.8 %	97.1 %	92.7 %	84.4 %	74.0 %
Net Fin. Debt / EBITDA	45.9 %	1239.9 %	n.a.	520.8 %	511.4 %	426.6 %	361.8 %
Book Value / Share	14.6	10.4	8.0	8.2	8.4	8.8	9.3
Book value per share ex intangibles	-6.9	-7.7	-8.4	-8.4	-8.3	-7.9	-7.4

ROCE Development



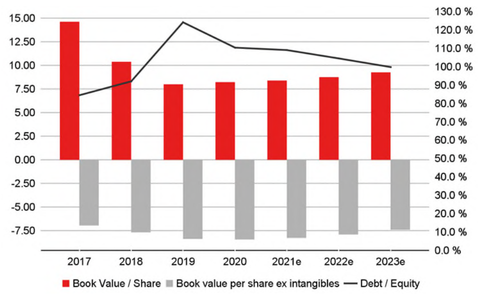
Source: Warburg Research

Net debt
in EUR m



Source: Warburg Research

Book Value per Share
in EUR



Source: Warburg Research

Consolidated cash flow statement

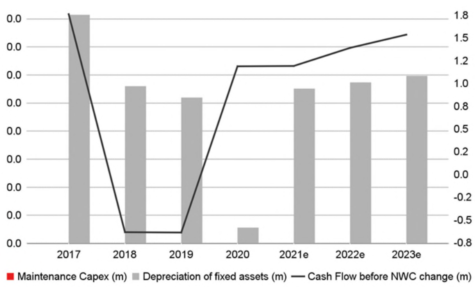
In EUR m	2017	2018	2019	2020	2021e	2022e	2023e
Net income	0.88	-4.22	-2.37	0.05	0.17	0.36	0.51
Depreciation of fixed assets	0.04	0.03	0.03	0.00	0.03	0.03	0.03
Amortisation of goodwill	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Amortisation of intangible assets	4.24	4.46	2.03	1.15	1.00	1.00	1.00
Increase/decrease in long-term provisions	0.00	0.00	0.00	-0.02	0.00	0.00	0.00
Other non-cash income and expenses	-3.40	-0.90	-0.32	0.00	0.00	0.00	0.00
Cash Flow before NWC change	**1.76**	**-0.64**	**-0.64**	**1.19**	**1.19**	**1.39**	**1.54**
Increase / decrease in inventory	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Increase / decrease in accounts receivable	-0.18	0.25	0.14	-0.06	-0.05	0.00	-0.10
Increase / decrease in accounts payable	-0.09	-0.16	-0.17	0.09	0.06	0.00	0.10
Increase / decrease in other working capital positions	-1.78	0.67	0.25	-1.25	0.00	0.00	0.00
Increase / decrease in working capital (total)	-2.05	0.77	0.22	-1.22	0.01	0.00	0.00
Net cash provided by operating activities [1]	**-0.29**	**0.13**	**-0.42**	**-0.04**	**1.20**	**1.39**	**1.54**
Investments in intangible assets	-0.03	-0.05	-0.03	-1.45	-1.00	-1.00	-1.00
Investments in property, plant and equipment	-0.03	0.00	-0.02	0.00	0.00	0.00	0.00
Payments for acquisitions	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Financial investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Income from asset disposals	0.00	0.00	0.00	0.05	0.00	0.00	0.00
Net cash provided by investing activities [2]	**-0.06**	**-0.05**	**-0.05**	**0.00**	**-1.00**	**-1.00**	**-1.00**
Change in financial liabilities	3.64	-3.49	0.20	-4.38	0.00	0.00	0.00
Dividends paid	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Purchase of own shares	0.00	-0.02	-0.13	0.00	0.00	0.00	0.00
Capital measures	0.00	0.00	0.00	4.38	0.00	0.00	0.00
Other	0.00	0.00	0.00	-0.05	0.00	0.00	0.00
Net cash provided by financing activities [3]	**3.64**	**-3.51**	**0.08**	**-0.05**	**0.00**	**0.00**	**0.00**
Change in liquid funds [1]+[2]+[3]	**3.29**	**-3.42**	**-0.39**	**-0.09**	**0.21**	**0.39**	**0.54**
Effects of exchange-rate changes on cash	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cash and cash equivalent at end of period	4.10	0.67	0.28	0.19	0.44	0.83	1.37

Financial Ratios

	2017	2018	2019	2020	2021e	2022e	2023e
Cash Flow							
FCF	-0.35	0.08	-0.47	-0.08	0.21	0.39	0.54
Free Cash Flow / Sales	-6.9 %	2.5 %	-16.1 %	-2.8 %	5.8 %	10.1 %	12.5 %
Free Cash Flow Potential	5.43	0.56	-0.05	1.46	n.a.	n.a.	n.a.
Free Cash Flow / Net Profit	-39.6 %	-1.9 %	19.7 %	-179.2 %	124.5 %	109.1 %	106.7 %
Interest Received / Avg. Cash	0.0 %	0.0 %	0.1 %	0.0 %	0.0 %	0.0 %	0.0 %
Interest Paid / Avg. Debt	4.0 %	4.0 %	3.2 %	3.2 %	3.3 %	3.3 %	3.3 %
Management of Funds							
Investment ratio	1.1 %	1.5 %	1.7 %	47.5 %	28.1 %	25.5 %	23.1 %
Maint. Capex / Sales	0.0 %	0.0 %	0.0 %	0.0 %	n.a.	n.a.	n.a.
Capex / Dep	1.4 %	1.1 %	2.4 %	124.7 %	96.9 %	96.8 %	96.7 %
Avg. Working Capital / Sales	-13.8 %	6.1 %	0.0 %	-0.6 %	0.1 %	-0.1 %	0.0 %
Trade Debtors / Trade Creditors	150.3 %	112.0 %	94.8 %	102.7 %	100.0 %	100.0 %	100.0 %
Inventory Turnover	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Receivables collection period (days)	81	76	51	42	41	37	42
Payables payment period (days)	269	193	137	126	125	113	128
Cash conversion cycle (Days)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

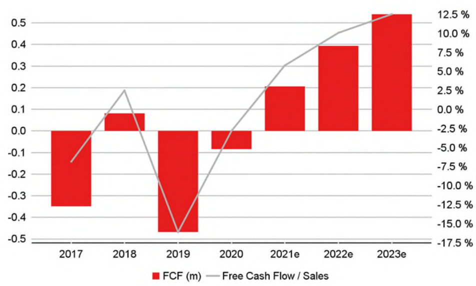
CAPEX and Cash Flow

in EUR m



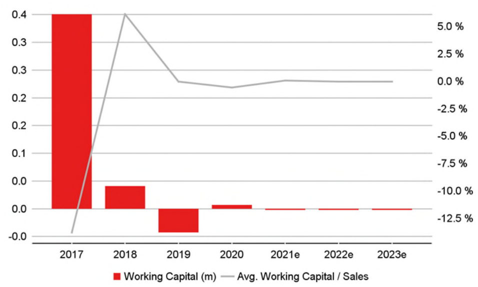
Source: Warburg Research

Free Cash Flow Generation



Source: Warburg Research

Working Capital



Source: Warburg Research

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Company	Disclosure	Link to the historical price targets and rating changes (last 12 months)
Your Family Entertainment	5	http://www.mmwarburg.com/disclaimer/disclaimer_en/DE000A161N14.htm

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-B-	**Buy:**	The price of the analysed financial instrument is expected to rise over the next 12 months.
-H-	**Hold:**	The price of the analysed financial instrument is expected to remain mostly flat over the next 12 months.
-S-	**Sell:**	The price of the analysed financial instrument is expected to fall over the next 12 months.
"-"	**Rating suspended:**	The available information currently does not permit an evaluation of the company.

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Rating	**Number of stocks**	**% of Universe**
Buy	144	69
Hold	56	27
Sell	5	2
Rating suspended	5	2
Total	**210**	**100**

WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING …

… taking into account only those companies which were provided with major investment services in the last twelve months.

Rating	**Number of stocks**	**% of Universe**
Buy	40	83
Hold	5	10
Sell	0	0
Rating suspended	3	6
Total	**48**	**100**

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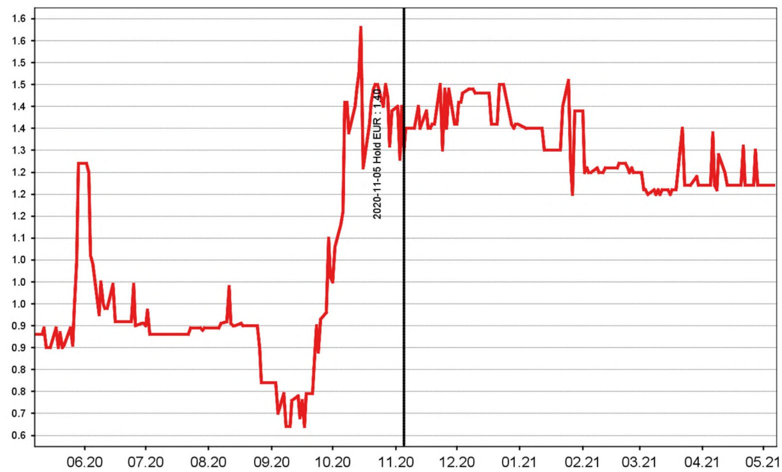

Markings in the chart show rating changes by Warburg Research GmbH in the last 12 months. Every marking details the date and closing price on the day of the rating change.

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