

<b>Buy</b> <b>EUR 3.60</b> (EUR 2.90) Price EUR 2.74 <b>Upside 31.4 %</b>	<b>Value Indicators:</b> EUR DCF: 3.60	<b>Warburg ESG Risk Score: 2.7</b> ESG Score (MSCI based): 3.0 Balance Sheet Score: 5.0 Market Liquidity Score: 0.0	<b>Description:</b> Media company with its own content and distribution channels
	<b>Market Snapshot:</b> EUR m Market cap: 41.96 No. of shares (m): 15.31 EV: 40.11 Freefloat MC: 4.98 Ø Trad. Vol. (30d): 0.86 th	<b>Shareholders:</b> Freefloat 11.87 % Kartoon Studios 44.78 % F&M 26.10 % Christoph Kahl 17.25 %	<b>Key Figures (WRe):</b> 2023e Beta: 1.2 Price / Book: 2.0 x Equity Ratio: 85 %

## Impressive adoption of AI technologies

Your Family Entertainment AG (YFE) announced on 1 February 2024 that it is planning a capital increase (within the first half of 2024, 10%, excluding subscription rights). The proceeds are intended to be used to build capacities and partnerships in the area of artificial intelligence (AI), for possible new productions from the YFE rights catalogue, for the further expansion of digital platforms (streaming/video-on-demand) and for potential M&A transactions. The capital measure will be reflected in the forecasts (WRe) once the placement has been completed.

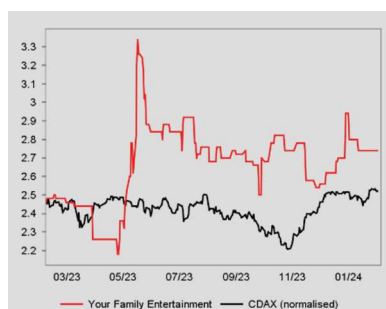
Of particular strategic importance is the company's plan to make extensive use of artificial intelligence (AI) technologies which, in contrast to many other companies, can already be used very productively from scratch. The company has a unique advantage here: while AI-generated content often uses the intellectual property of others illegally, or at least in a legally unsecured context, YFE has a media library with an original production value of over EUR 1.2bn, with numerous trademark rights that are very well known in the children's sector. Taken together, this results in a large number of economically highly relevant use-cases for AI, which directly expands the range of applications for the exploitation of its media rights:

- Image quality can be optimised with minimal effort and made available in all formats. In addition, videos can be described with detailed metadata, new lip-synchronised language versions are possible, automatic subtitling in almost all languages is easy to create, highlights can be automatically produced and even books can be automatically created from videos. In this area, Your Family Entertainment AG cooperates with Adesso SE as an IT service provider.
- A collaboration has also been launched with Lalamu Studio, a specialist in AI synchronisation. Distinctively, its AI model for lip synchronisation (Lalamu Studio) can make non-speaking characters speak in videos, whether real people or animations, noticeably improving the media experience. The combination of AI tools such as text-to-video, text-to-speech, voice cloning and lip-syncing offers significant potential.
- In addition, a cooperation has been initiated with Relativity GmbH, a provider of AI-based analysis (Mindverse product). The aim of this collaboration is to identify trends in media consumption and to react to them quickly (time-to-market), supported by the technologies mentioned above.
- Finally, the cloud migration of YFE's business operations was advanced as part of a cooperation with the specialists at WTS Advisory. The aim is to make the content even better and more quickly accessible to (new) customers, especially in the context of a platform-as-a-service strategy.

As the short-term impact of this strategy on earnings cannot be quantified, the forecasts (WRe) remain unchanged for the time being. After an extremely weak first half of 2023, expectations for the full year of 2023 anticipate a very significant improvement. This improvement can be significantly dependent on individual license deals and is subject to an extremely high degree of uncertainty.

However, our model (DCF) now assumes a lower risk factor (beta from 1.3 to 1.2) and a higher long-term growth rate (model assumption 2% to 3%), as the long-term positioning is significantly improved by the early focus on rental technologies. A trend is emerging in the media landscape that owners of important trademark rights deserve protection and can also monetise them. Based on a rollover of the model, the price target is now EUR 3.60 (2.90).

**The stock remains a Buy.**



<b>Rel. Performance vs CDAX:</b>	
1 month:	-3.8 %
6 months:	-1.7 %
Year to date:	-7.0 %
Trailing 12 months:	8.0 %

<b>Company events:</b>	
26.04.24	FY 2023
25.06.24	AGM
27.09.24	Q2

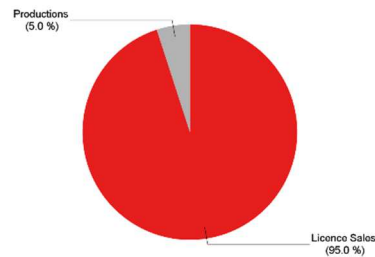
FY End: 31.12. in EUR m	CAGR (22-25e)	2019	2020	2021	2022	2023e	2024e	2025e
<b>Sales</b>	10.1 %	2.91	3.04	3.11	4.20	4.00	5.00	5.60
Change Sales yoy		-9.3 %	4.3 %	2.6 %	34.8 %	-4.7 %	25.0 %	12.0 %
Gross profit margin		60.7 %	67.8 %	65.2 %	73.6 %	73.0 %	73.0 %	73.0 %
<b>EBITDA</b>	2.2 %	-0.04	1.47	1.76	3.15	2.96	2.95	3.36
Margin		-1.2 %	48.3 %	56.7 %	74.9 %	74.0 %	59.0 %	60.0 %
EBIT	-3.4 %	-2.09	0.31	0.34	1.25	1.13	0.92	1.13
Margin		-71.8 %	10.2 %	11.0 %	29.8 %	28.3 %	18.4 %	20.1 %
<b>Net income</b>	0.5 %	-2.37	0.05	-0.08	0.84	0.85	0.66	0.85
<b>EPS</b>	6.3 %	-0.23	0.00	-0.01	0.05	0.06	0.04	0.06
EPS adj.	6.3 %	-0.23	0.00	-0.01	0.05	0.06	0.04	0.06
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.
<b>FCFPS</b>		-0.05	-0.01	-0.01	-0.06	0.06	0.04	0.06
FCF / Market cap		-3.9 %	-0.8 %	-1.0 %	-2.5 %	2.1 %	1.4 %	2.3 %
<b>EV / Sales</b>		6.8 x	6.2 x	7.3 x	9.0 x	10.2 x	8.0 x	7.0 x
<b>EV / EBITDA</b>		n.a.	12.9 x	12.9 x	12.1 x	13.8 x	13.6 x	11.6 x
<b>EV / EBIT</b>		n.a.	61.1 x	66.5 x	30.3 x	36.0 x	43.6 x	34.7 x
<b>P / E</b>		n.a.	n.a.	n.a.	50.0 x	45.7 x	68.5 x	45.7 x
<b>P / E adj.</b>		n.a.	n.a.	n.a.	50.0 x	45.7 x	68.5 x	45.7 x
<b>FCF Potential Yield</b>		-0.2 %	7.7 %	7.7 %	8.3 %	7.3 %	7.5 %	8.6 %
<b>Net Debt</b>		7.89	7.99	8.46	-0.36	-1.25	-1.85	-2.83
<b>ROCE (NOPAT)</b>		n.a.	1.8 %	2.7 %	6.8 %	5.8 %	4.9 %	5.8 %
<b>Guidance:</b>	n.a.							

## Sales development in EUR m



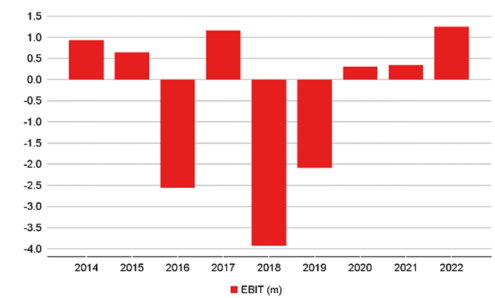
Source: Warburg Research

## Sales by segments 2023e; in %



Source: Warburg Research

## EBIT development in EUR m



Source: Warburg Research

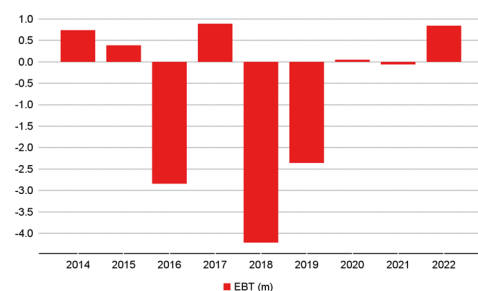
## Company Background

- 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 classic, 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

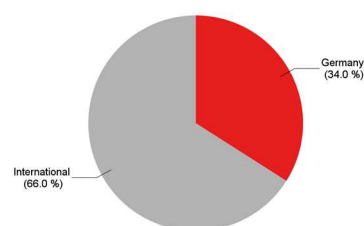
- The group's media catalogue, for which the original acquisition costs were ca. EUR 120m, is practically impossible to replicate today (original production value EUR 1.2bn)
- The productions, which were often financed by public broadcasters in the past, are of very high quality editorially and in terms 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



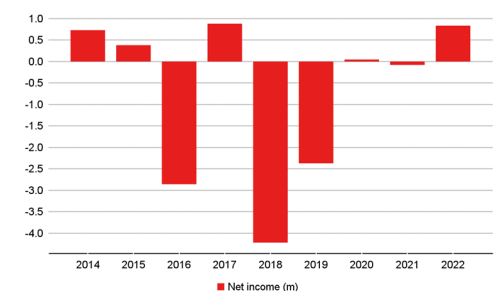
Source: Warburg Research

## Sales by regions 2022; 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
	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	
Sales	4.00	5.00	5.60	6.27	7.02	7.87	8.81	9.87	11.05	12.38	13.87	15.53	17.08	
Sales change	-4.7 %	25.0 %	12.0 %	12.0 %	12.0 %	12.0 %	12.0 %	12.0 %	12.0 %	12.0 %	12.0 %	12.0 %	10.0 %	3.0 %
EBIT	1.13	0.92	1.13	1.57	2.11	2.75	3.35	3.75	4.20	4.70	5.27	5.90	6.49	
EBIT-margin	28.3 %	18.4 %	20.1 %	25.0 %	30.0 %	35.0 %	38.0 %	38.0 %	38.0 %	38.0 %	38.0 %	38.0 %	38.0 %	
Tax rate (EBT)	-2.5 %	-7.4 %	-2.5 %	12.0 %	12.0 %	12.0 %	12.0 %	12.0 %	12.0 %	12.0 %	12.0 %	12.0 %	12.0 %	
NOPAT	1.16	0.99	1.16	1.38	1.85	2.42	2.95	3.30	3.70	4.14	4.64	5.19	5.71	
Depreciation	1.83	2.03	2.23	1.57	1.76	1.97	2.20	2.47	2.76	3.09	3.47	3.88	4.27	
in % of Sales	45.7 %	40.6 %	39.9 %	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	-0.03	0.00	0.00	-0.02	-0.01	-0.06	-0.06	-0.06	-0.05	-0.05	
Change in Liquidity from														
- Working Capital	-0.01	0.10	-0.10	-0.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
- Capex	1.80	2.00	2.20	1.57	1.76	1.97	2.20	2.47	2.76	3.09	3.47	3.88	4.27	
Capex in % of Sales	45.0 %	40.0 %	39.3 %	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)	1.20	0.92	1.29	1.55	1.86	2.42	2.92	3.29	3.64	4.08	4.57	5.14	5.67	6
PV of FCF	1.22	0.85	1.10	1.22	1.33	1.60	1.77	1.82	1.85	1.90	1.96	2.02	2.04	34
share of PVs	5.78 %			31.97 %										62.25 %

### Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	5.00 %	Financial Strength	1.20
Cost of debt (after tax)	2.5 %	Liquidity (share)	1.20
Market return	8.25 %	Cyclicality	1.20
Risk free rate	2.75 %	Transparency	1.20
		Others	1.20
<b>WACC</b>	<b>9.01 %</b>	<b>Beta</b>	<b>1.20</b>

### Valuation (m)

Present values 2035e	21		
Terminal Value	34		
Financial liabilities	2		
Pension liabilities	0		
Hybrid capital	0		
Minority interest	0		
Market val. of investments	0		
Liquidity	3	No. of shares (m)	15.3
<b>Equity Value</b>	<b>55</b>	<b>Value per share (EUR)</b>	<b>3.60</b>

### Sensitivity Value per Share (EUR)

Beta	WACC	Terminal Growth							Beta	WACC	Delta EBIT-margin						
		2.25 %	2.50 %	2.75 %	3.00 %	3.25 %	3.50 %	3.75 %			-1.5 pp	-1.0 pp	-0.5 pp	+0.0 pp	+0.5 pp	+1.0 pp	+1.5 pp
1.39	10.0 %	2.84	2.90	2.95	3.01	3.07	3.14	3.21	1.39	10.0 %	2.88	2.93	2.97	3.01	3.05	3.09	3.14
1.30	9.5 %	3.08	3.14	3.21	3.28	3.36	3.44	3.54	1.30	9.5 %	3.15	3.19	3.24	3.28	3.33	3.37	3.42
1.25	9.3 %	3.21	3.28	3.36	3.44	3.52	3.62	3.72	1.25	9.3 %	3.29	3.34	3.39	3.44	3.48	3.53	3.58
1.20	9.0 %	3.35	3.43	3.51	3.60	3.70	3.80	3.92	1.20	9.0 %	3.45	3.50	3.55	3.60	3.65	3.70	3.75
1.15	8.8 %	3.51	3.59	3.68	3.78	3.89	4.01	4.14	1.15	8.8 %	3.63	3.68	3.73	3.78	3.84	3.89	3.94
1.10	8.5 %	3.68	3.77	3.87	3.98	4.10	4.24	4.39	1.10	8.5 %	3.82	3.87	3.93	3.98	4.04	4.09	4.15
1.01	8.0 %	4.05	4.17	4.30	4.44	4.60	4.77	4.97	1.01	8.0 %	4.26	4.32	4.38	4.44	4.50	4.56	4.62

- 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	2019	2020	2021	2022	2023e	2024e	2025e
Price / Book	1.5 x	1.3 x	1.7 x	1.9 x	2.0 x	1.9 x	1.8 x
Book value per share ex intangibles	-8.36	-8.42	-8.82	0.07	0.13	0.17	0.23
EV / Sales	6.8 x	6.2 x	7.3 x	9.0 x	10.2 x	8.0 x	7.0 x
EV / EBITDA	n.a.	12.9 x	12.9 x	12.1 x	13.8 x	13.6 x	11.6 x
EV / EBIT	n.a.	61.1 x	66.5 x	30.3 x	36.0 x	43.6 x	34.7 x
EV / EBIT adj.*	n.a.	61.1 x	66.5 x	30.3 x	36.0 x	43.6 x	34.7 x
P / FCF	n.a.	n.a.	n.a.	n.a.	47.1 x	70.6 x	42.8 x
P / E	n.a.	n.a.	n.a.	50.0 x	45.7 x	68.5 x	45.7 x
P / E adj.*	n.a.	n.a.	n.a.	50.0 x	45.7 x	68.5 x	45.7 x
Dividend Yield	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
FCF Potential Yield (on market EV)	-0.2 %	7.7 %	7.7 %	8.3 %	7.3 %	7.5 %	8.6 %

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

## Consolidated profit & loss

In EUR m	2019	2020	2021	2022	2023e	2024e	2025e
<b>Sales</b>	<b>2.91</b>	<b>3.04</b>	<b>3.11</b>	<b>4.20</b>	<b>4.00</b>	<b>5.00</b>	<b>5.60</b>
Change Sales yoy	-9.3 %	4.3 %	2.6 %	34.8 %	-4.7 %	25.0 %	12.0 %
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
<b>Total Sales</b>	<b>2.91</b>	<b>3.04</b>	<b>3.11</b>	<b>4.20</b>	<b>4.00</b>	<b>5.00</b>	<b>5.60</b>
Material expenses	1.14	0.98	1.09	1.11	1.08	1.35	1.51
<b>Gross profit</b>	<b>1.77</b>	<b>2.06</b>	<b>2.03</b>	<b>3.09</b>	<b>2.92</b>	<b>3.65</b>	<b>4.09</b>
<i>Gross profit margin</i>	<i>60.7 %</i>	<i>67.8 %</i>	<i>65.2 %</i>	<i>73.6 %</i>	<i>73.0 %</i>	<i>73.0 %</i>	<i>73.0 %</i>
Personnel expenses	1.22	1.25	1.08	1.31	1.08	1.30	1.40
Other operating income	0.41	1.52	1.78	3.04	2.52	2.25	2.52
Other operating expenses	1.00	0.86	0.96	1.68	1.40	1.65	1.85
Unfrequent items	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>EBITDA</b>	<b>-0.04</b>	<b>1.47</b>	<b>1.76</b>	<b>3.15</b>	<b>2.96</b>	<b>2.95</b>	<b>3.36</b>
<i>Margin</i>	<i>-1.2 %</i>	<i>48.3 %</i>	<i>56.7 %</i>	<i>74.9 %</i>	<i>74.0 %</i>	<i>59.0 %</i>	<i>60.0 %</i>
Depreciation of fixed assets	0.03	0.00	0.00	0.01	0.03	0.03	0.03
<b>EBITA</b>	<b>-0.06</b>	<b>1.46</b>	<b>1.76</b>	<b>3.14</b>	<b>2.93</b>	<b>2.92</b>	<b>3.33</b>
Amortisation of intangible assets	2.03	1.15	1.42	1.88	1.80	2.00	2.20
Goodwill amortisation	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>EBIT</b>	<b>-2.09</b>	<b>0.31</b>	<b>0.34</b>	<b>1.25</b>	<b>1.13</b>	<b>0.92</b>	<b>1.13</b>
<i>Margin</i>	<i>-71.8 %</i>	<i>10.2 %</i>	<i>11.0 %</i>	<i>29.8 %</i>	<i>28.3 %</i>	<i>18.4 %</i>	<i>20.1 %</i>
<b>EBIT adj.</b>	<b>-2.09</b>	<b>0.31</b>	<b>0.34</b>	<b>1.25</b>	<b>1.13</b>	<b>0.92</b>	<b>1.13</b>
Interest income	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest expenses	0.27	0.26	0.40	0.41	0.30	0.30	0.30
Other financial income (loss)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>EBT</b>	<b>-2.36</b>	<b>0.05</b>	<b>-0.06</b>	<b>0.84</b>	<b>0.83</b>	<b>0.62</b>	<b>0.83</b>
<i>Margin</i>	<i>-81.1 %</i>	<i>1.7 %</i>	<i>-2.0 %</i>	<i>20.1 %</i>	<i>20.8 %</i>	<i>12.4 %</i>	<i>14.8 %</i>
Total taxes	0.01	0.00	0.02	0.01	-0.02	-0.05	-0.02
<b>Net income from continuing operations</b>	<b>-2.37</b>	<b>0.05</b>	<b>-0.08</b>	<b>0.84</b>	<b>0.85</b>	<b>0.66</b>	<b>0.85</b>
Income from discontinued operations (net of tax)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Net income before minorities</b>	<b>-2.37</b>	<b>0.05</b>	<b>-0.08</b>	<b>0.84</b>	<b>0.85</b>	<b>0.66</b>	<b>0.85</b>
Minority interest	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Net income</b>	<b>-2.37</b>	<b>0.05</b>	<b>-0.08</b>	<b>0.84</b>	<b>0.85</b>	<b>0.66</b>	<b>0.85</b>
<i>Margin</i>	<i>-81.5 %</i>	<i>1.6 %</i>	<i>-2.5 %</i>	<i>19.9 %</i>	<i>21.3 %</i>	<i>13.3 %</i>	<i>15.1 %</i>
Number of shares, average	10.29	10.46	10.46	15.31	15.31	15.31	15.31
<b>EPS</b>	<b>-0.23</b>	<b>0.00</b>	<b>-0.01</b>	<b>0.05</b>	<b>0.06</b>	<b>0.04</b>	<b>0.06</b>
EPS adj.	-0.23	0.00	-0.01	0.05	0.06	0.04	0.06

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

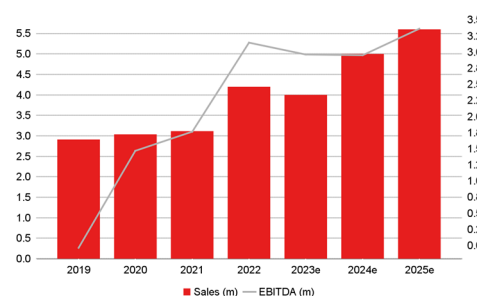
Guidance: n.a.

## Financial Ratios

	2019	2020	2021	2022	2023e	2024e	2025e
Total Operating Costs / Sales	101.2 %	51.7 %	43.3 %	25.1 %	26.0 %	41.0 %	40.0 %
Operating Leverage	5.0 x	n.a.	3.8 x	7.7 x	2.0 x	-0.7 x	1.9 x
EBITDA / Interest expenses	n.m.	5.6 x	4.4 x	7.7 x	9.9 x	9.8 x	11.2 x
Tax rate (EBT)	-0.5 %	6.8 %	-28.8 %	1.0 %	-2.5 %	-7.4 %	-2.5 %
Dividend Payout Ratio	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Sales per Employee	171,196	252,946	259,488	349,864	266,667	333,333	373,333

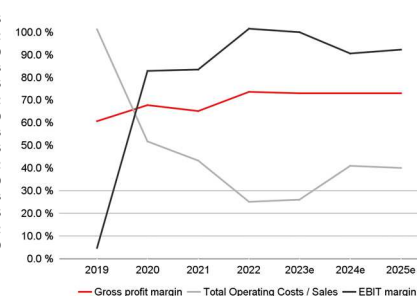
### Sales, EBITDA

in EUR m

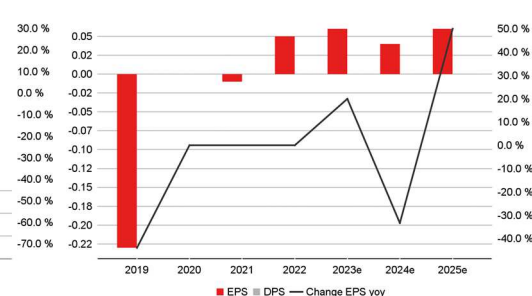


### Operating Performance

in %



### Performance per Share



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

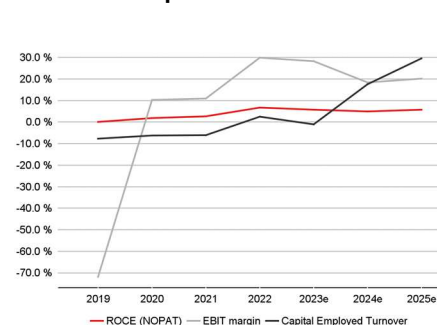
## Consolidated balance sheet

In EUR m	2019	2020	2021	2022	2023e	2024e	2025e
<b>Assets</b>							
Goodwill and other intangible assets	16.36	16.65	16.96	19.22	19.22	19.22	19.22
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	0.03	0.02	0.01	0.01	-0.02	-0.05	-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
<b>Fixed assets</b>	<b>16.39</b>	<b>16.67</b>	<b>16.97</b>	<b>19.22</b>	<b>19.20</b>	<b>19.17</b>	<b>19.13</b>
Inventories	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accounts receivable	0.41	0.35	0.35	0.56	0.50	0.70	0.70
Liquid assets	1.07	0.23	0.00	3.17	4.06	4.66	5.64
Other short-term assets	0.07	0.05	0.25	1.05	1.05	1.05	1.05
<b>Current assets</b>	<b>1.55</b>	<b>0.62</b>	<b>0.60</b>	<b>4.79</b>	<b>5.62</b>	<b>6.41</b>	<b>7.39</b>
<b>Total Assets</b>	<b>17.90</b>	<b>17.30</b>	<b>17.60</b>	<b>24.00</b>	<b>24.80</b>	<b>25.60</b>	<b>26.50</b>
<b>Liabilities and shareholders' equity</b>							
Subscribed capital	10.27	10.39	10.39	15.31	15.31	15.31	15.31
Capital reserve	2.78	2.84	2.84	9.27	9.27	9.27	9.27
Retained earnings	-5.06	-5.01	-5.09	-4.27	-3.41	-2.75	-1.90
Other equity components	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Shareholders' equity	7.99	8.22	8.14	20.32	21.17	21.83	22.68
Minority interest	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total equity</b>	<b>7.99</b>	<b>8.22</b>	<b>8.14</b>	<b>20.32</b>	<b>21.17</b>	<b>21.83</b>	<b>22.68</b>
Provisions	0.82	0.80	0.90	0.87	0.87	0.87	0.87
thereof provisions for pensions and similar obligations	0.35	0.35	0.35	0.34	0.34	0.34	0.34
Financial liabilities (total)	8.61	7.87	8.11	2.47	2.47	2.47	2.47
Short-term financial liabilities	4.24	3.49	3.74	0.00	0.00	0.00	0.00
Accounts payable	0.43	0.34	0.41	0.35	0.30	0.40	0.50
Other liabilities	0.07	0.08	0.01	0.01	0.01	0.01	0.01
<b>Liabilities</b>	<b>9.92</b>	<b>9.08</b>	<b>9.43</b>	<b>3.69</b>	<b>3.64</b>	<b>3.74</b>	<b>3.84</b>
<b>Total liabilities and shareholders' equity</b>	<b>17.90</b>	<b>17.30</b>	<b>17.60</b>	<b>24.00</b>	<b>24.80</b>	<b>25.60</b>	<b>26.50</b>

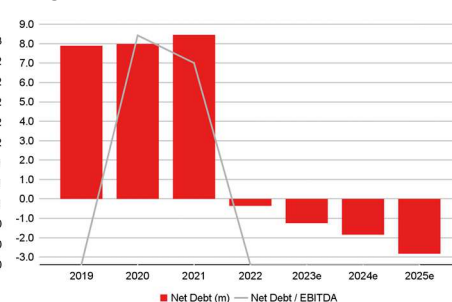
## Financial Ratios

	2019	2020	2021	2022	2023e	2024e	2025e
<b>Efficiency of Capital Employment</b>							
Operating Assets Turnover	-339.6 x	110.0 x	-63.5 x	19.2 x	22.5 x	20.2 x	47.9 x
Capital Employed Turnover	0.2 x	0.2 x	0.2 x	0.2 x	0.2 x	0.3 x	0.3 x
ROA	-14.5 %	0.3 %	-0.5 %	4.3 %	4.4 %	3.5 %	4.4 %
<b>Return on Capital</b>							
ROCE (NOPAT)	n.a.	1.8 %	2.7 %	6.8 %	5.8 %	4.9 %	5.8 %
ROE	-25.8 %	0.6 %	-1.0 %	5.9 %	4.1 %	3.1 %	3.8 %
Adj. ROE	-25.8 %	0.6 %	-1.0 %	5.9 %	4.1 %	3.1 %	3.8 %
<b>Balance sheet quality</b>							
Net Debt	7.89	7.99	8.46	-0.36	-1.25	-1.85	-2.83
Net Financial Debt	7.54	7.64	8.11	-0.70	-1.59	-2.19	-3.17
Net Gearing	98.8 %	97.1 %	103.9 %	-1.8 %	-5.9 %	-8.5 %	-12.5 %
Net Fin. Debt / EBITDA	n.a.	520.8 %	459.4 %	n.a.	n.a.	n.a.	n.a.
Book Value / Share	8.0	8.2	8.1	1.3	1.4	1.4	1.5
Book value per share ex intangibles	-8.4	-8.4	-8.8	0.1	0.1	0.2	0.2

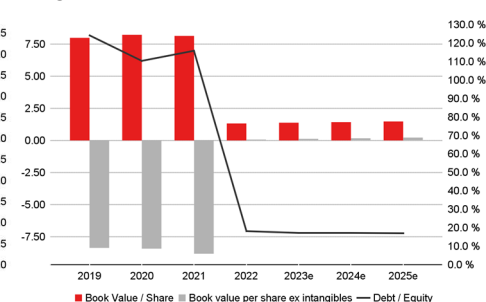
### ROCE Development



### Net debt in EUR m



### Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

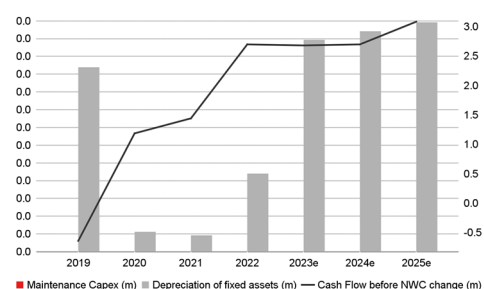
## Consolidated cash flow statement

In EUR m	2019	2020	2021	2022	2023e	2024e	2025e
Net income	-2.37	0.05	-0.08	0.84	0.85	0.66	0.85
Depreciation of fixed assets	0.03	0.00	0.00	0.01	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	2.03	1.15	1.42	1.88	1.80	2.00	2.20
Increase/decrease in long-term provisions	0.00	-0.02	0.10	-0.03	0.00	0.00	0.00
Other non-cash income and expenses	-0.32	0.00	0.00	0.00	0.00	0.00	0.00
<b>Cash Flow before NWC change</b>	<b>-0.64</b>	<b>1.19</b>	<b>1.44</b>	<b>2.70</b>	<b>2.68</b>	<b>2.70</b>	<b>3.08</b>
Increase / decrease in inventory	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Increase / decrease in accounts receivable	0.14	-0.06	0.00	0.21	0.06	-0.20	0.00
Increase / decrease in accounts payable	-0.17	0.09	-0.07	0.06	-0.05	0.10	0.10
Increase / decrease in other working capital positions	0.25	-1.25	-1.46	-3.75	0.00	0.00	0.00
Increase / decrease in working capital (total)	0.22	-1.22	-1.53	-3.48	0.01	-0.10	0.10
<b>Net cash provided by operating activities [1]</b>	<b>-0.42</b>	<b>-0.04</b>	<b>-0.09</b>	<b>-0.78</b>	<b>2.69</b>	<b>2.60</b>	<b>3.18</b>
Investments in intangible assets	-0.03	-1.45	-1.70	-3.15	-1.80	-2.00	-2.20
Investments in property, plant and equipment	-0.02	0.00	-0.03	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	0.05	0.03	0.00	0.00	0.00	0.00
<b>Net cash provided by investing activities [2]</b>	<b>-0.05</b>	<b>0.00</b>	<b>-0.02</b>	<b>-0.17</b>	<b>-1.80</b>	<b>-2.00</b>	<b>-2.20</b>
Change in financial liabilities	0.20	-4.38	-4.38	-3.44	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	-0.13	0.00	0.00	-0.12	0.00	0.00	0.00
Capital measures	0.00	4.38	4.38	8.39	0.00	0.00	0.00
Other	0.00	-0.05	-0.39	-0.40	0.00	0.00	0.00
<b>Net cash provided by financing activities [3]</b>	<b>0.08</b>	<b>-0.05</b>	<b>-0.39</b>	<b>4.43</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Change in liquid funds [1]+[2]+[3]</b>	<b>-0.39</b>	<b>-0.09</b>	<b>-0.50</b>	<b>3.48</b>	<b>0.89</b>	<b>0.59</b>	<b>0.98</b>
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	0.28	0.19	-0.31	3.17	4.06	4.66	5.64

## Financial Ratios

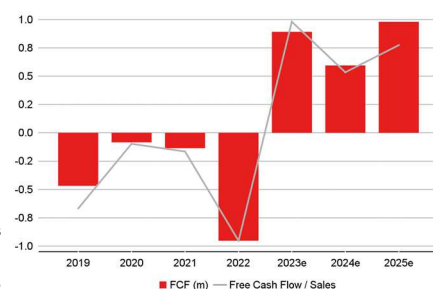
	2019	2020	2021	2022	2023e	2024e	2025e
<b>Cash Flow</b>							
FCF	-0.47	-0.08	-0.14	-0.95	0.89	0.59	0.98
Free Cash Flow / Sales	-16.1 %	-2.8 %	-4.4 %	-22.7 %	22.3 %	11.9 %	17.5 %
Free Cash Flow Potential	-0.05	1.46	1.75	3.14	2.98	3.00	3.38
Free Cash Flow / Net Profit	19.7 %	-179.2 %	172.5 %	-114.0 %	104.8 %	89.5 %	115.5 %
Interest Received / Avg. Cash	0.1 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Interest Paid / Avg. Debt	3.2 %	3.2 %	5.0 %	7.7 %	12.1 %	12.1 %	12.1 %
<b>Management of Funds</b>							
Investment ratio	1.7 %	47.5 %	55.5 %	75.0 %	45.0 %	40.0 %	39.3 %
Maint. Capex / Sales	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Capex / Dep	2.4 %	124.7 %	121.5 %	166.2 %	98.4 %	98.5 %	98.6 %
Avg. Working Capital / Sales	0.0 %	-0.6 %	-0.9 %	1.8 %	5.2 %	5.0 %	4.5 %
Trade Debtors / Trade Creditors	94.8 %	102.7 %	85.0 %	160.9 %	166.7 %	175.0 %	140.0 %
Inventory Turnover	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Receivables collection period (days)	51	42	41	49	46	51	46
Payables payment period (days)	137	126	137	115	101	108	121
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



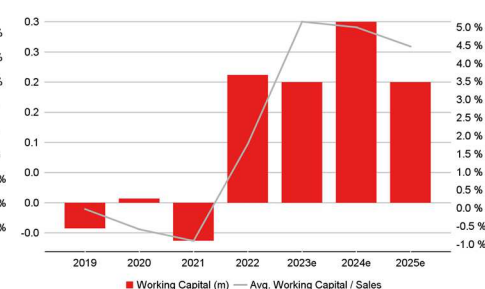
Source: Warburg Research

### 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)
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Investment recommendation: expected direction of the share price development of the financial instrument up to the given price target in the opinion of the analyst who covers this financial instrument.

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

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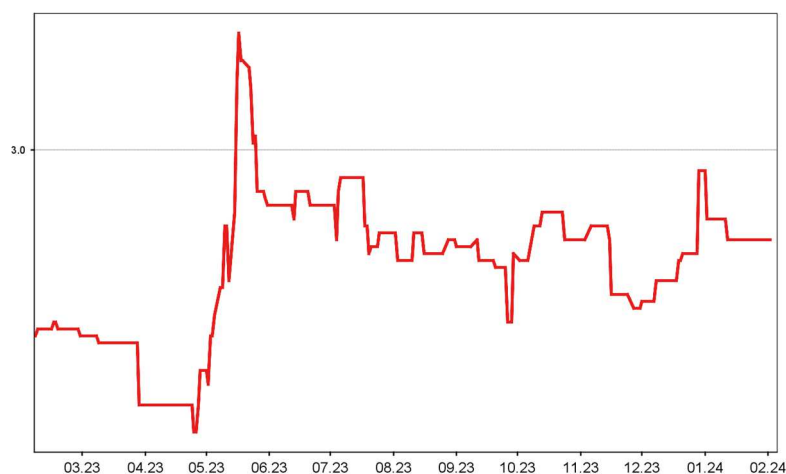
Rating	Number of stocks	% of Universe
Buy	151	71
Hold	47	22
Sell	7	3
Rating suspended	7	3
<b>Total</b>	<b>212</b>	<b>100</b>

## 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	46	82
Hold	7	13
Sell	0	0
Rating suspended	3	5
<b>Total</b>	<b>56</b>	<b>100</b>

## PRICE AND RATING HISTORY YOUR FAMILY ENTERTAINMENT AS OF 05.02.2024



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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