

9m Results 2022

Opinion ⁽¹⁾: In line

Impact ⁽¹⁾: We will maintain our estimates

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Mondo TV Studios (MONI), is a Spanish company based in Tenerife (the Canary Islands, Spain) that provides animation, co-production and content distribution services (TV and OTT platforms over the internet) focused on children and young people and with activity in Spain, Portugal, Latam and Spanish-speaking areas of the US. MONI forms part of the Mondo TV Group (that controls c. 76% of capital).

9m22: strong revenue growth enables breakeven in EBIT to be exceeded

STRONG REVENUE GROWTH (EUR 4MN; +98.7% VS 9M21) DRIVEN BY THE DISTRIBUTION BUSINESS. MONI closed 9m22 with revenue of EUR 4Mn (+98.7% vs 9m21). Strong growth explained by the take-off of the distribution business (9m22 revenue: EUR 2.6Mn vs EUR 0.1Mn in 9m21) mainly due to the sale of 100 episodes to the RAI (Italian state TV). Growth that has led to a significant change in the mix with the weight of the distribution business rising to 65.4% (vs < 5% in 2021); offsetting the smaller volume of Animation Services, that despite showing signs of recovery vs 1H22, still remains -25.4% below 9m21.

ADJUSTED EBIT ALREADY EXCEEDS BREAKEVEN (EUR 0.4MN VS EUR -0.1MN IN 9M21). Despite the narrowing of the gross margin to 50% (vs 80% in 9m21; due to the increased weighting in the revenue mix of the distribution business), revenue growth together with the tax rebate generated by the audiovisual activity in the Canary Islands (EUR 0.6Mn in 9m22 vs EUR 0.4Mn in 9m21) has resulted in breakeven being exceeded in terms of adjusted EBIT, that ended 9m22 at EUR 0.4Mn (adjusted EBIT margin c. 10%). In this context, the continuity of the tax incentives (and their monetisation from 2023e) will remain crucial to the business.

HIGHER WORKING CAPITAL NEEDS INCREASE NET DEBT TO EUR 5.7MN (+35.9% VS 2021). MONI closed 3Q with net debt of EUR 5.7Mn (c. 55% of EV) due to the advance payment of the distribution contract with the RAI via factoring (impact that will be cancelled in 4Q22). A high level of ND, although mitigated by: 1) its association with the advance payment of the tax rebate (so once the tax rebate has been recovered the advance payment will be cancelled; 42% of total debt) and 2) the financial support of the parent (c. 30% of gross debt corresponds to debts with the group). A business that we estimate will exceed breakeven in FCF in 2024e.

OUR ESTIMATES ARE UNCHANGED. For 22e-24e we envisage an acceleration of growth (especially in 2022e: +33% vs 2021; already visible in 9m22 results) to c. EUR 7Mn in revenues in 2024e (+22% CAGR 21-24e). Although highly dependent on the execution of the purchase option on the remaining 385 episodes with the RAI (still pending execution), that will give MONI a recurrent distribution business with revenue of c. EUR 2.5Mn/year in 2023e and 2024e (included in our numbers for 23e and 24e). EV/Sales 22e c. 2x.

Market Data

Market Cap (Mn EUR and USD)	5.3	5.4
EV (Mn EUR and USD) ⁽²⁾	10.2	10.5
Shares Outstanding (Mn)	20.0	
-12m (Max/Med/Mín EUR)	0.49 / 0.33 / 0.25	
Daily Avg volume (-12m Mn EUR)	n.m.	
Rotation ⁽³⁾	17.9	
Factset / Bloomberg	MONI-ES / MONI SM	
Close fiscal year	31-Dec	

Shareholders Structure (%)

Mondo TV S.p.A	75.6
Corradi Family	9.4
Free Float	15.0

Financials (Mn EUR)

	2021	2022e	2023e	2024e
Adj. nº shares (Mn)	19.6	20.0	20.0	20.0
Total Revenues	3.8	5.1	6.0	7.0
Rec. EBITDA	0.3	-0.6	-0.1	0.5
% growth	-12.5	-321.9	83.0	575.6
% Rec. EBITDA/Rev.	7.0	n.a.	n.a.	6.9
% Inc. EBITDA sector ⁽⁴⁾	24.8	5.7	9.2	9.4
Net Profit	0.0	0.4	1.6	1.4
EPS (EUR)	0.00	0.02	0.08	0.07
% growth	149.0	950.7	247.4	-10.5
Ord. EPS (EUR)	0.01	0.02	0.08	0.07
% growth	713.9	271.9	247.4	-10.5
Rec. Free Cash Flow ⁽⁵⁾	-0.7	-0.8	-0.5	-0.1
Pay-out (%)	0.0	0.0	0.0	0.0
DPS (EUR)	0.00	0.00	0.00	0.00
Net financial debt	4.2	4.9	5.4	5.5
ND/Rec. EBITDA (x)	15.4	n.a.	n.a.	11.4
ROE (%)	4.1	35.1	68.4	37.1
ROCE (%) ⁽⁵⁾	2.9	11.9	26.0	18.7

Ratios & Multiples (x)⁽⁶⁾

	2021	2022e	2023e	2024e
P/E	n.a.	11.8	3.4	3.8
Ord. P/E	43.7	11.8	3.4	3.8
P/BV	5.0	3.5	1.7	1.2
Dividend Yield (%)	0.0	0.0	0.0	0.0
EV/Sales	2.65	1.99	1.70	1.46
EV/Rec. EBITDA	37.7	n.a.	n.a.	21.0
EV/EBIT	n.a.	17.1	5.8	6.4
FCF Yield (%) ⁽⁵⁾	n.a.	n.a.	n.a.	n.a.

Relative performance (Base 100)



Stock performance (%)

	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	-12.0	-12.0	-33.0	-17.0	13.8	35.9
vs Ibex 35	-20.2	-12.4	-29.0	-13.1	26.5	63.5
vs Ibex Small Cap Index	-21.2	-9.0	-25.4	-7.3	3.3	15.6
vs Eurostoxx 50	-22.1	-18.1	-26.0	-9.2	6.8	23.2
vs Sector benchmark ⁽⁴⁾	-19.3	-13.3	-26.7	-8.2	-1.0	8.7

(1) The opinion regarding the results is on reported EBITDA with respect to our estimate for the year (12m). The impact reflects whether, due to the results, we envisage a significant revision (>5% - 10%, depending on the sector) of our EBITDA estimate (for any of the estimated years).

(2) Please refer to Appendix 3.

(3) Rotation is the % of the capitalisation traded - 12m.

(4) Sector: Stoxx Europe 600 Media.

(5) Please see Appendix 2 for the theoretical tax rate (ROCE) and rec. FCF calculation.

(6) Multiples and ratios calculated over prices at the date of this report.

(*) Unless otherwise indicated, all the information contained in this report is based on: The Company, Factset and Lighthouse.

Mondo TV Studios (MONI) is a BME Growth company

BME Growth is the segment of BME MTF Equity aimed at small and medium sized companies, directed and managed by the Spanish stock market and is subject to the CNMV supervision. BME MTF Equity is not a Regulated Market but instead falls within the classification of a Multilateral Trading Facility (MTF) as defined under the Markets in Financial Instruments Directive (MiFID). In July 2020, BME Growth obtained the status of SME Growth Market, a new category of EU regulations, which in Spain is called Mercado de Pymes en Expansión.

BME Growth is the Spanish equity market for companies of reduced capitalization which aim to grow, with a special set of regulations, designed specifically for them, and with costs and process tailored to their particular features. Operations in BME Growth (former MAB) started in July 2009. There are currently c. 130 companies listed on it. Companies listed on the MAB can choose to present their financial statements under IFRS or the General Accounting Plan (PGC) and Royal Decree 1159/2010 (NOFCAC).

9m Results 2022
Table 1. 9m22 Results

EUR Mn	9m22		9m22 Real	2022e	2022e vs
	Real	9m21	vs 9m21		2021
Total Revenues	4.0	2.0	98.7%	5.1	33.4%
Animation Services	1.3	1.8	-25.4%	2.3	15.0%
Content production	0.1	0.1	-48.5%	0.3	-66.7%
Content distribution	2.6	0.1	n.a.	2.5	n.a.
Licensing, merchandising and others	0.0	0.0	n.a.	0.0	-100.0%
Other income	0.0	0.0	n.a.	0.0	n.a.
Gross margin	2.0	1.8	11.3%	3.0	-0.2
<i>Gross margin (%)</i>	<i>49.5%</i>	<i>88.4%</i>	<i>-38.9 p.p.</i>	<i>57.9%</i>	<i>-33.4 p.p.</i>
Recurrent EBITDA¹	-0.1	-0.6	82.0%	-0.6	-321.9%
<i>Rec. EBITDA/Revenues</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>
Adjusted EBIT²	0.4	-1.0	137.4%	0.6	350.4%
PBT	-0.4	-0.6	33.7%	0.4	n.a.
NP	0.3	-0.2	263.1%	0.4	n.a.
	9m22				
	Real	2021			
Net Debt ³	5.7	4.2	35.9%	4.9	18.7%

Note 1: Recurrent EBITDA adjusted to strip out the impact of capitalised expenses (EUR 0.1Mn and EUR 0.3Mn in 9m22 and 9m21, respectively).

Note 2: EBIT adjusted to include the impact of tax incentives (EUR 0.6Mn in 9m22) as these are similar in nature financially to a subsidy, with an impact on free cash flow (from 2023e).

Note 3: Net debt calculated as gross debt (including debt with group companies) less cash and other equivalent liquid assets and short-term investments.

Valuation inputs

Inputs for the DCF Valuation Approach

	2022e	2023e	2024e	Terminal Value ⁽¹⁾			
Free Cash Flow "To the Firm"	(0.6)	(0.3)	0.1	n.a.			
Market Cap	5.3	At the date of this report					
Net financial debt	5.7	Debt net of Cash (9m Results 2022)					
					Best Case	Worst Case	
Cost of Debt	5.0%	Net debt cost			4.8%	5.3%	
Tax rate (T)	20.0%	T (Normalised tax rate)			=	=	
Net debt cost	4.0%	Kd = Cost of Net Debt * (1-T)			3.8%	4.2%	
Risk free rate (rf)	3.0%	Rf (10y Spanish bond yield)			=	=	
Equity risk premium	6.0%	R (own estimate)			5.5%	6.5%	
Beta (B)	1.2	B (own estimate)			1.1	1.3	
Cost of Equity	10.2%	Ke = Rf + (R * B)			9.0%	11.4%	
Equity / (Equity + Net Debt)	48.3%	E (Market Cap as equity value)			=	=	
Net Debt / (Equity + Net Debt)	51.7%	D			=	=	
WACC	7.0%	WACC = Kd * D + Ke * E			6.3%	7.7%	
G "Fair"	2.0%				2.0%	1.5%	

(1) The terminal value calculated beyond the last FCF estimate does not reflect the company's growth potential (positive/negative) at the date of publication of this report.

Inputs for the Multiples Valuation Approach

Company	Ticker Factset	Mkt. Cap	P/E 22e	EPS 22e-24e	EV/EBITDA 22e	EBITDA 22e-24e	EV/Sales 22e	Revenues 22e-24e	EBITDA/Sales 22e	FCF Yield 22e	FCF 22e-24e
Toei Animation	4816-JP	3,992.5	34.0	-4.8%	23.3	-2.6%	6.8	-5.2%	29.4%	2.1%	12.1%
Lions Gate	LGF.A-US	1,491.4	n.a.	n.a.	20.2	38.1%	1.6	10.5%	8.1%	8.2%	52.7%
Wildbrain	WILD-CA	274.1	23.7	n.a.	12.4	1.4%	2.7	8.0%	21.5%	1.0%	n.a.
Xilam Animation	XIL-FR	152.0	22.8	30.0%	4.8	17.4%	4.2	19.8%	87.3%	n.a.	60.6%
Mondo TV S.p.A.	MTV-IT	23.9	n.a.	n.a.	1.3	10.0%	1.1	5.4%	81.1%	n.a.	n.a.
Your Family Entertainment	RTV-DE	34.5	30.3	32.3%	13.2	19.8%	7.4	19.9%	56.0%	3.4%	35.9%
Audiovisual production and animation			27.7	19.2%	12.5	14.0%	4.0	9.7%	47.2%	3.7%	40.3%
MONI	MONI-ES	5.3	11.8	76.3%	n.a.	67.6%	2.0	16.8%	n.a.	n.a.	69.1%

Appendix 1. Financial Projections

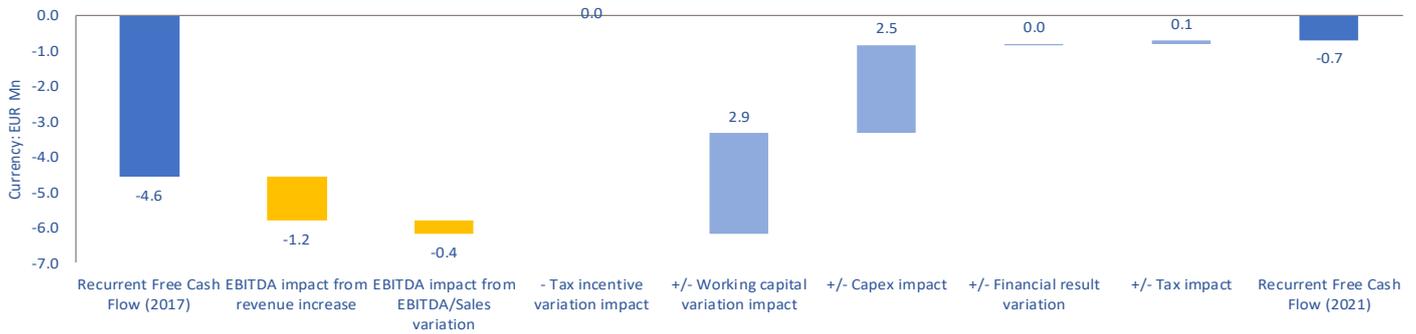
Balance Sheet (EUR Mn)	2017	2018	2019	2020	2021	2022e	2023e	2024e	CAGR	
Intangible assets	6.3	3.0	2.1	2.0	1.3	2.1	3.7	4.9		
Fixed assets	0.0	0.1	0.1	0.2	0.4	0.4	0.4	0.4		
Other Non Current Assets	0.1	0.1	0.1	0.8	1.6	2.4	2.9	3.1		
Financial Investments	0.2	0.0	0.0	0.0	1.1	1.1	1.1	1.1		
Goodwill & Other Intangibles	-	-	-	-	-	-	-	-		
Current assets	2.9	1.6	2.2	2.8	2.0	1.8	2.1	2.4		
Total assets	9.4	4.8	4.4	5.9	6.3	7.9	10.1	11.8		
Equity	1.3	(3.9)	1.1	1.0	1.1	1.5	3.1	4.5		
Minority Interests	-	-	-	-	-	-	-	-		
Provisions & Other L/T Liabilities	1.4	1.0	0.5	1.1	0.2	0.2	0.2	0.2		
Other Non Current Liabilities	-	-	-	-	-	-	-	-		
Net financial debt	6.4	7.1	2.1	2.9	4.2	4.9	5.4	5.5		
Current Liabilities	0.4	0.6	0.7	1.0	0.9	1.2	1.4	1.6		
Equity & Total Liabilities	9.4	4.8	4.4	5.9	6.3	7.9	10.1	11.8		
P&L (EUR Mn)	2017	2018	2019	2020	2021	2022e	2023e	2024e	CAGR	
Total Revenues	3.7	1.4	2.5	2.6	3.8	5.1	6.0	7.0	1.2%	22.1%
<i>Total Revenues growth</i>	70.1%	-61.6%	77.7%	5.4%	45.9%	33.4%	16.9%	16.8%		
COGS	(0.6)	(0.0)	(0.0)	(0.1)	(0.3)	(2.2)	(2.4)	(2.6)		
Gross Margin	3.0	1.4	2.5	2.5	3.5	3.0	3.6	4.4	3.9%	7.6%
<i>Gross Margin/Revenues</i>	82.4%	96.6%	99.4%	96.5%	91.3%	57.9%	60.4%	62.5%		
Personnel Expenses	(0.7)	(1.0)	(0.9)	(1.6)	(2.4)	(2.6)	(2.7)	(2.7)		
Other Operating Expenses	(0.4)	(0.7)	(0.9)	(0.6)	(0.8)	(0.9)	(1.0)	(1.1)		
Recurrent EBITDA	1.9	(0.3)	0.7	0.3	0.3	(0.6)	(0.1)	0.5	-38.4%	21.5%
<i>Recurrent EBITDA growth</i>	53.8%	-117.8%	310.2%	-55.9%	-12.5%	-321.9%	83.0%	575.6%		
<i>Rec. EBITDA/Revenues</i>	51.3%	n.a.	28.1%	11.7%	7.0%	n.a.	n.a.	6.9%		
Restructuring Expense & Other non-rec.	(0.0)	(0.1)	0.5	0.0	(0.1)	-	-	-		
EBITDA	1.9	(0.4)	1.2	0.3	0.2	(0.6)	(0.1)	0.5	-43.2%	35.8%
Depreciation & Provisions	(1.2)	(1.3)	(1.1)	(0.8)	(1.1)	(0.4)	(0.6)	(0.8)		
Capitalized Expense	-	0.2	0.1	0.2	0.3	0.8	1.5	1.0		
Tax incentives	-	-	-	0.5	0.8	0.8	0.9	1.0		
Adjusted EBIT¹	0.7	(1.6)	0.2	0.2	0.1	0.6	1.8	1.6	-33.6%	n.a.
<i>EBIT growth</i>	101.2%	-330.5%	113.2%	-15.3%	-24.5%	350.4%	194.5%	-9.4%		
<i>EBIT/Revenues</i>	18.5%	n.a.	8.3%	6.7%	3.4%	11.6%	29.3%	22.7%		
Impact of Goodwill & Others	-	-	-	-	-	-	-	-		
Net Financial Result	(0.2)	(0.2)	(0.2)	(0.1)	(0.1)	(0.1)	(0.2)	(0.2)		
Income by the Equity Method	-	-	-	-	-	-	-	-		
Ordinary Profit	0.5	(1.8)	0.0	0.1	0.0	0.4	1.6	1.4	-46.8%	n.a.
<i>Ordinary Profit Growth</i>	69.6%	-441.9%	101.7%	118.8%	-37.9%	970.7%	253.3%	-10.9%		
Extraordinary Results	-	(3.8)	0.0	-	-	-	-	-		
Profit Before Tax	0.5	(5.6)	0.0	0.1	0.0	0.4	1.6	1.4	-46.8%	n.a.
Tax Expense	(0.1)	0.0	0.0	(0.0)	0.0	-	(0.0)	(0.0)		
<i>Effective Tax Rate</i>	16.5%	n.a.	n.a.	25.9%	n.a.	n.a.	1.7%	1.3%		
Minority Interests	-	-	-	-	-	-	-	-		
Discontinued Activities	-	-	-	-	-	-	-	-		
Net Profit	0.4	(5.5)	0.1	0.1	0.0	0.4	1.6	1.4	-44.3%	n.a.
<i>Net Profit growth</i>	74.4%	n.a.	101.1%	-17.8%	-16.2%	970.0%	247.4%	-10.5%		
Ordinary Net Profit	0.5	(1.7)	(0.5)	0.0	0.1	0.4	1.6	1.4	-28.5%	n.a.
<i>Ordinary Net Profit growth</i>	35.9%	-472.3%	72.6%	109.3%	174.0%	278.7%	247.4%	-10.5%		
Cash Flow (EUR Mn)	2017	2018	2019	2020	2021	2022e	2023e	2024e	CAGR	
Recurrent EBITDA						(0.6)	(0.1)	0.5	-38.4%	21.5%
Tax incentives ¹						-	0.5	0.8		
Working Capital Increase						0.5	(0.1)	(0.1)		
Recurrent Operating Cash Flow						-0.1	0.3	1.2	59.7%	4.5%
CAPEX						(0.5)	(0.6)	(1.0)		
Net Financial Result affecting the Cash Flow						(0.1)	(0.2)	(0.2)		
Tax Expense						-	(0.0)	(0.0)		
Recurrent Free Cash Flow						(0.8)	(0.5)	(0.1)	37.5%	52.7%
Restructuring Expense & Other non-rec.						-	-	-		
- Acquisitions / + Divestures of assets						-	-	-		
Extraordinary Inc./Exp. Affecting Cash Flow						-	-	-		
Free Cash Flow						(0.8)	(0.5)	(0.1)	32.3%	54.3%
Capital Increase						-	-	-		
Dividends						-	-	-		
Net Debt Variation						0.8	0.5	0.1		

Note 1: EBIT adjusted to include the impact of tax incentives with impact in free cash flow.

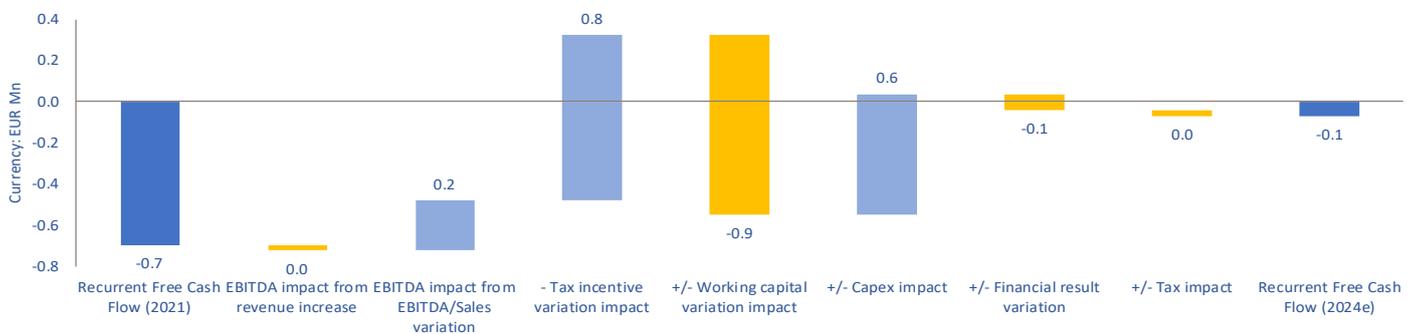
Appendix 2. Free Cash Flow

A) Cash Flow Analysis (EUR Mn)	2018	2019	2020	2021	2022e	2023e	2024e	CAGR	
								18-21	21-24e
Recurrent EBITDA	(0.3)	0.7	0.3	0.3	(0.6)	(0.1)	0.5	41.1%	21.5%
<i>Recurrent EBITDA growth</i>	-117.8%	310.2%	-55.9%	-12.5%	-321.9%	83.0%	575.6%		
<i>Rec. EBITDA/Revenues</i>	<i>n.a.</i>	28.1%	11.7%	7.0%	<i>n.a.</i>	<i>n.a.</i>	6.9%		
+ Tax incentives	-	-	-	-	-	0.5	0.8		
+/- Working Capital increase	1.5	(0.4)	(0.4)	0.8	0.5	(0.1)	(0.1)		
= Recurrent Operating Cash Flow	1.2	0.3	(0.1)	1.0	(0.1)	0.3	1.2	-4.7%	4.5%
<i>Rec. Operating Cash Flow growth</i>	619.7%	-77.7%	-139.3%	<i>n.a.</i>	-111.6%	337.2%	313.2%		
<i>Rec. Operating Cash Flow / Sales</i>	84.0%	10.5%	<i>n.a.</i>	26.6%	<i>n.a.</i>	4.7%	16.7%		
- CAPEX	(1.7)	(0.2)	(0.5)	(1.6)	(0.5)	(0.6)	(1.0)		
- Net Financial Result affecting Cash Flow	(0.1)	(0.2)	(0.1)	(0.1)	(0.1)	(0.2)	(0.2)		
- Taxes	(0.2)	-	-	0.0	-	(0.0)	(0.0)		
= Recurrent Free Cash Flow	(0.9)	(0.1)	(0.6)	(0.7)	(0.8)	(0.5)	(0.1)	6.8%	52.7%
<i>Rec. Free Cash Flow growth</i>	81.1%	90.4%	-650.4%	-12.1%	-11.5%	34.6%	85.4%		
<i>Rec. Free Cash Flow / Revenues</i>	<i>n.a.</i>								
- Restructuring expenses & others	-	-	-	-	-	-	-		
- Acquisitions / + Divestments	0.2	-	0.1	-	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	0.1	0.5	0.0	(0.1)	-	-	-		
= Free Cash Flow	(0.6)	0.4	(0.5)	(0.8)	(0.8)	(0.5)	(0.1)	-6.1%	54.3%
<i>Free Cash Flow growth</i>	82.4%	163.5%	-232.8%	-41.6%	-0.4%	34.6%	85.4%		
<i>Recurrent Free Cash Flow - Yield (s/Mkt Cap)</i>	<i>n.a.</i>								
<i>Free Cash Flow Yield (s/Mkt Cap)</i>	<i>n.a.</i>	7.8%	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>		
B) Analytical Review of Annual Recurrent Free Cash Flow Performance (Eur Mn)									
Recurrent FCF(FY - 1)	(4.6)	(0.9)	(0.1)	(0.6)	(0.7)	(0.8)	(0.5)		
EBITDA impact from revenue increase	(1.2)	(0.3)	0.0	0.1	0.1	(0.1)	(0.0)		
EBITDA impact from EBITDA/Sales variation	(1.1)	1.3	(0.4)	(0.2)	(1.0)	0.6	0.6		
= Recurrent EBITDA variation	(2.2)	1.0	(0.4)	(0.0)	(0.9)	0.5	0.6		
+ Tax incentives	-	-	-	-	-	0.5	0.3		
+/- Working capital variation impact	3.6	(2.0)	0.0	1.2	(0.3)	(0.6)	(0.0)		
= Recurrent Operating Cash Flow variation	1.4	(0.9)	(0.4)	1.1	(1.1)	0.4	0.9		
+/- CAPEX impact	2.5	1.5	(0.3)	(1.2)	1.1	(0.1)	(0.4)		
+/- Financial result variation	0.0	(0.1)	0.1	(0.0)	(0.0)	(0.0)	(0.0)		
+/- Tax impact	(0.2)	0.2	-	0.0	(0.0)	(0.0)	0.0		
= Recurrent Free Cash Flow variation	3.7	0.8	(0.5)	(0.1)	(0.1)	0.3	0.4		
Recurrent Free Cash Flow	(0.9)	(0.1)	(0.6)	(0.7)	(0.8)	(0.5)	(0.1)		
C) "FCF to the Firm" (pre debt service) (EUR Mn)									
EBIT	(1.6)	0.2	0.2	0.1	0.6	1.8	1.6	27.7%	<i>n.a.</i>
* <i>Theoretical Tax rate</i>	0.0%	0.0%	25.9%	0.0%	0.0%	1.7%	1.3%		
= Taxes (pre- Net Financial Result)	-	-	(0.0)	-	-	(0.0)	(0.0)		
Recurrent EBITDA	(0.3)	0.7	0.3	0.3	(0.6)	(0.1)	0.5	41.1%	21.5%
+ Tax incentives	-	-	-	-	-	0.5	0.8		
+/- Working Capital increase	1.5	(0.4)	(0.4)	0.8	0.5	(0.1)	(0.1)		
= Recurrent Operating Cash Flow	1.2	0.3	(0.1)	1.0	(0.1)	0.3	1.2	-4.7%	4.5%
- CAPEX	(1.7)	(0.2)	(0.5)	(1.6)	(0.5)	(0.6)	(1.0)		
- Taxes (pre- Financial Result)	-	-	(0.0)	-	-	(0.0)	(0.0)		
= Recurrent Free Cash Flow (To the Firm)	(0.5)	0.1	(0.6)	(0.6)	(0.6)	(0.3)	0.1	-7.1%	29.2%
<i>Rec. Free Cash Flow (To the Firm) growth</i>	88.8%	121.1%	-677.1%	-1.0%	-2.7%	45.3%	128.2%		
<i>Rec. Free Cash Flow (To the Firm) / Revenues</i>	<i>n.a.</i>	4.2%	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	1.4%		
- Acquisitions / + Divestments	0.2	-	0.1	-	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	0.1	0.5	0.0	(0.1)	-	-	-		
= Free Cash Flow "To the Firm"	(0.3)	0.6	(0.5)	(0.7)	(0.6)	(0.3)	0.1	-34.1%	28.9%
<i>Free Cash Flow (To the Firm) growth</i>	92.0%	309.1%	-188.9%	-29.5%	8.7%	45.3%	128.2%		
<i>Rec. Free Cash Flow To the Firm Yield (o/EV)</i>	<i>n.a.</i>	1.0%	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	1.0%		
<i>Free Cash Flow "To the Firm" - Yield (o/EV)</i>	<i>n.a.</i>	5.9%	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	1.0%		

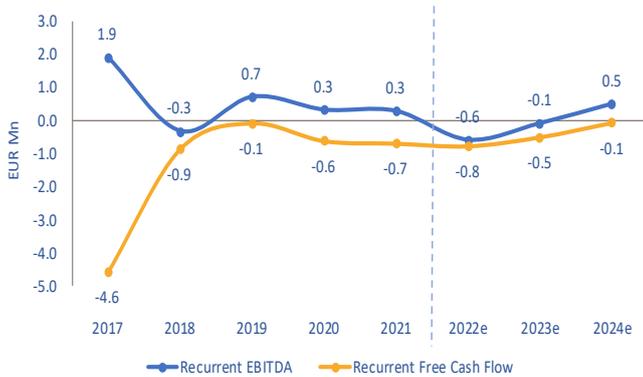
Recurrent Free Cash Flow accumulated variation analysis (2017 - 2021)



Recurrent Free Cash Flow accumulated variation analysis (2021 - 2024e)



Recurrent EBITDA vs Recurrent Free Cash Flow



Stock performance vs EBITDA 12m forward



Appendix 3. EV breakdown at the date of this report

	EUR Mn	Source
Market Cap	5.3	
+ Minority Interests	-	9m Results 2022
+ Provisions & Other L/T Liabilities	-	9m Results 2022
+ Net financial debt	5.7	9m Results 2022
- Financial Investments	0.7	9m Results 2022
+/- Others		
Enterprise Value (EV)	10.2	

Appendix 4. Main peers 2022e

Audiovisual production and animation

	EUR Mn	Toei Animation	Lions Gate	Wildbrain	Xilam Animation	Mondo TV S.p.A.	Your Family Entertainment	Average	MONI
Market data	Ticker (Factset)	4816-JP	LGF.A-US	WILD-CA	XIL-FR	MTV-IT	RTV-DE		MONI-ES
	Country	Japan	Canada	Canada	France	Italy	Germany		Spain
	Market cap	3,992.5	1,491.4	274.1	152.0	23.9	34.5		5.3
	Enterprise value (EV)	3,459.3	5,869.8	981.1	180.1	37.8	35.5		10.2
Basic financial information	Total Revenues	505.5	3,566.3	368.1	43.2	36.0	4.8		5.1
	Total Revenues growth	28.9%	1.8%	12.1%	60.5%	23.2%	54.1%	25.8%	33.4%
	2y CAGR (2022e - 2024e)	-5.2%	10.5%	8.0%	19.8%	5.4%	19.9%	8.3%	16.8%
	EBITDA	148.6	290.6	79.0	37.7	29.2	2.7		(0.6)
	EBITDA growth	15.5%	-83.1%	22.9%	51.8%	21.5%	n.a.	1.8%	-409.8%
	2y CAGR (2022e - 2024e)	-2.6%	38.1%	1.4%	17.4%	10.0%	19.8%	13.6%	67.6%
	EBITDA/Revenues	29.4%	8.1%	21.5%	87.3%	81.1%	56.0%	36.6%	n.a.
	EBIT	152.4	(1,364.2)	54.1	9.9	7.7	1.6		0.6
	EBIT growth	22.3%	n.a.	36.8%	n.a.	14.4%	208.8%	29.6%	350.4%
	2y CAGR (2022e - 2024e)	-3.6%	46.8%	32.7%	23.3%	49.9%	29.8%	24.8%	63.4%
	EBIT/Revenues	30.1%	n.a.	14.7%	23.0%	21.4%	32.5%	22.6%	11.6%
	Net Profit	114.3	(1,733.8)	4.1	6.7	6.6	1.1		0.4
	Net Profit growth	29.6%	-847.4%	179.7%	6.4%	20.4%	n.a.	-157.9%	970.0%
	2y CAGR (2022e - 2024e)	-4.8%	42.6%	n.a.	29.4%	35.4%	38.0%	22.4%	76.3%
	CAPEX/Sales %	0.7%	1.1%	2.1%	80.2%	100.3%	0.6%	21.0%	10.0%
Free Cash Flow	84.3	122.1	2.8	(5.7)	(1.9)	1.2		(0.8)	
Net financial debt	(489.1)	2,003.7	410.0	30.0	12.3	(4.7)		4.9	
ND/EBITDA (x)	n.a.	6.9	5.2	0.8	0.4	n.a.	4.3	n.a.	
Pay-out	25.1%	0.0%	0.0%	0.0%	n.a.	0.0%	6.3%	0.0%	
Multiples and Ratios	P/E (x)	34.0	n.a.	23.7	22.8	n.a.	30.3	26.8	11.8
	P/BV (x)	5.3	1.1	5.8	2.1	n.a.	1.7	3.6	3.5
	EV/Revenues (x)	6.8	1.6	2.7	4.2	1.1	7.4	3.8	2.0
	EV/EBITDA (x)	23.3	20.2	12.4	4.8	1.3	13.2	15.2	n.a.
	EV/EBIT (x)	22.7	n.a.	18.1	18.1	4.9	22.8	19.7	17.1
	ROE	15.4	n.a.	7.6	9.3	n.a.	5.7	10.8	35.1
	FCF Yield (%)	2.1	8.2	1.0	n.a.	n.a.	3.4	3.8	n.a.
	DPS	0.70	0.00	0.00	0.00	n.a.	0.00	0.18	0.00
Dvd Yield	0.7%	0.0%	0.0%	0.0%	n.a.	0.0%	0.2%	0.0%	

Note 1: Financial data, multiples and ratios based on market consensus (Factset). In the case of the company analyzed, own estimates (Lighthouse).

Note 2: All ratios and multiples on EBITDA refer to total EBITDA (not to recurrent EBITDA).

LIGHTHOUSE

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Date of report	Recommendation	Price (EUR)	Target price (EUR)	Period of validity	Reason for report	Analyst
23-Nov-2022	n.a.	0.264	n.a.	n.a.	9m Results 2022	David López Sánchez
14-Sep-2022	n.a.	0.350	n.a.	n.a.	6m Results 2022	David López Sánchez
25-May-2022	n.a.	0.430	n.a.	n.a.	Initiation of Coverage	David López Sánchez

