

EQUITY - SPAIN

Sector: Media

Closing price: EUR 0.29 (30 Jun 2023)

Report date: 4 Jul 2023 (14:00)

Important news

Independent Equity Research

Important news

 Opinion ⁽¹⁾: No significant impact

 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. 75% of capital).

Market Data

Market Cap (Mn EUR and USD)	5.7	6.2
EV (Mn EUR and USD) ⁽²⁾	8.9	9.7
Shares Outstanding (Mn)	20.0	
-12m (Max/Med/Min EUR)	0.40 / 0.29 / 0.21	
Daily Avg volume (-12m Mn EUR)	n.m.	
Rotation ⁽³⁾	17.3	
Factset / Bloomberg	MONI-ES / MONI SM	
Close fiscal year	31-Dec	

Shareholders Structure (%)

Mondo TV S.p.A	74.2
Corradi Family	9.4
Free Float	16.4

Financials (Mn EUR)

	2022	2023e	2024e	2025e
Adj. n° shares (Mn)	20.0	20.0	20.0	20.0
Total Revenues	4.9	5.2	6.3	6.9
Rec. EBITDA	-0.3	-0.2	0.2	0.3
% growth	-216.8	23.3	174.5	58.3
% Rec. EBITDA/Rev.	n.a.	n.a.	2.9	4.1
% Inc. EBITDA sector ⁽⁴⁾	13.9	7.4	8.7	6.3
Net Profit	-0.1	0.3	0.8	1.0
EPS (EUR)	0.00	0.01	0.04	0.05
% growth	-569.2	477.7	202.2	25.7
Ord. EPS (EUR)	0.01	0.01	0.04	0.05
% growth	174.0	128.9	202.2	25.7
Rec. Free Cash Flow ⁽⁵⁾	-1.0	-0.3	0.2	0.4
Pay-out (%)	0.0	0.0	0.0	0.0
DPS (EUR)	0.00	0.00	0.00	0.00
Net financial debt	5.2	5.4	5.2	4.9
ND/Rec. EBITDA (x)	n.a.	n.a.	29.0	17.0
ROE (%)	n.a.	23.9	48.8	39.5
ROCE (%) ⁽⁵⁾	2.9	8.0	15.6	17.1

Ratios & Multiples (x)⁽⁶⁾

	2022	2023e	2024e	2025e
P/E	n.a.	22.4	7.4	5.9
Ord. P/E	51.3	22.4	7.4	5.9
P/BV	6.1	4.8	2.9	1.9
Dividend Yield (%)	0.0	0.0	0.0	0.0
EV/Sales	1.83	1.73	1.43	1.29
EV/Rec. EBITDA	n.a.	n.a.	49.4	31.2
EV/EBIT	44.7	19.6	9.2	7.7
FCF Yield (%) ⁽⁵⁾	n.a.	n.a.	3.5	6.7

(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.

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This report has been prepared on the basis of information available to the public. The report includes a financial analysis of the company covered. The report does not propose any personalised investment recommendation. Investors should consider the contents of this report as just another element in their investment decision-making process.

The final two pages of this report contain very important legal information regarding its contents.

Squirrel Media takeover bid: Looming acceptance deadline

THE DEADLINE FOR ACCEPTING THE OFFER PRESENTED BY SQUIRREL MEDIA EXPIRES IN 14 DAYS. MONI has announced the timeline for accepting the offer presented by Squirrel, which began on 29 May and ends on 18 July (both dates inclusive).

TERMS OF THE BID PRESENTED BY SQUIRREL MEDIA. The offer presented by Squirrel Media in April is for 100% of MONI's 20,000,000 shares as part of a transaction that values MONI at EUR 6.2Mn and will take the form of: i) a share exchange with Squirrel's shares valued at EUR 3.2 per share (+40% vs. yesterday's close) or ii) a cash payment of EUR 0.31 per share.

NO SQUEEZE-OUT FOR SHAREHOLDERS NOT ACCEPTING THE BID. On 29 June, SQRL announced at its AGM that shareholders representing 88.47% of MONI's shares had accepted the exchange offer and 8.51% had opted to take cash. As a result, the shareholders that do not accept the offer (owners of 3.02% of MONI's shares at present) will end up as minority shareholders in a company wholly-controlled by Squirrel.

SQUIRREL MEDIA HAS THE BACKING OF MONI'S CONTROLLING SHAREHOLDER.

MONI's controlling shareholder (Mondo TV S.p.A, with 74.2% of the company's capital) said it would accept the offer from the outset. The Corradi family (holder of a controlling interest in Mondo TV S.p.A.) still holds a 9.4% shareholding in MONI. MONI's core shareholders have said they will accept the exchange offer.

THE AIM IS TO DELIST MONI, as stated by Squirrel Media from the outset. At MONI's AGM on 17 May 2023, it was agreed to delist the company from BME Growth (delisting date: 20 July 2023).

THE TRANSACTION VALUES MONI AT AN IMPLICIT EV/REVENUE MULTIPLE OF 2X...

The acquisition of MONI (located in the Canary Islands where it enjoys very favourable tax treatment) and its catalogue will boost SQRL's ability to generate and distribute content. With recurring EBITDA at breakeven point in 2022 and 2023e, the only meaningful multiple is EV/revenue, which, by our numbers for 2023e (revenue 23e: EUR 5.2Mn, +6% vs 2022) (and taking the price offered in cash of EUR 0.31/share) values MONI at an implicit EV/revenue multiple of 2x.

... WHICH HAS ALREADY BEEN PRICED IN, with the share price trading up to the offer price, reflecting the expected success of the deal.

Relative performance (Base 100)



Stock performance (%)	-1m	-3m	-12m	YTD	-3Y	-5Y
Absolute	-0.7	23.3	-15.4	-2.7	51.3	117.0
vs Ibex 35	-5.1	18.3	-28.6	-16.6	14.1	117.6
vs Ibex Small Cap Index	-6.4	22.6	-16.2	-13.3	13.1	107.7
vs Eurostoxx 50	-3.1	20.1	-33.5	-16.1	11.2	67.5
vs Sector benchmark ⁽⁴⁾	-4.8	25.1	-27.9	-11.5	3.1	70.5

Important news

Ongoing takeover bid calendar

Timeline of the Squirrel Media takeover bid

Binding letter of intent	04/13/2023
Report from the Board of Directors (Mondo TV)	05/17/2023
Start of the acceptance period	05/29/2023
Extension of the acceptance period	06/09/2023
Second extension of the acceptance period	07/03/2023
End of the acceptance period	07/18/2023
Transaction date	07/19/2023
Delisting from BME Growth	07/20/2023

Valuation inputs

Inputs for the DCF Valuation Approach

	2023e	2024e	2025e	Terminal Value ⁽¹⁾		
Free Cash Flow "To the Firm"	(0.1)	0.4	0.6	n.a.		
Market Cap	5.7	At the date of this report				
Net financial debt	3.2	Debt net of Cash (Lighthouse 2023)				
					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)	3.4%	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	10.6%	Ke = Rf + (R * B)			9.5%	11.9%
Equity / (Equity + Net Debt)	64.1%	E (Market Cap as equity value)			=	=
Net Debt / (Equity + Net Debt)	35.9%	D			=	=
WACC	8.2%	WACC = Kd * D + Ke * E			7.4%	9.1%
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	Mkt. Cap	P/E 23e	EPS 23e-25e	EV/EBITDA 23e	EBITDA 23e-25e	EV/Sales 23e	Revenues 23e-25e	EBITDA/Sales 23e	FCF Yield 23e	FCF 23e-25e
Toei Animation	4816-JP	3,518.6	38.9	14.0%	29.5	11.8%	6.4	4.4%	21.6%	3.5%	3.0%
Lions Gate	LGF.A-US	1,787.8	25.0	60.5%	14.7	6.1%	1.5	3.1%	10.0%	2.9%	97.8%
Wildbrain	WILD-CA	163.9	n.a.	89.9%	10.3	-0.9%	2.2	6.0%	21.5%	1.6%	n.a.
Xilam Animation	XIL-FR	122.8	16.0	16.9%	4.4	13.3%	3.0	13.4%	67.4%	6.9%	-2.7%
Mondo TV S.p.A.	MTV-IT	23.3	n.a.	n.a.	4.8	16.8%	2.3	5.2%	46.7%	n.a.	75.6%
Your Family Entertainment	RTV-DE	43.5	30.4	n.a.	11.7	n.a.	7.7	n.a.	66.1%	3.3%	n.a.
Audiovisual production and animation			27.6	45.3%	12.6	9.4%	3.8	6.4%	38.9%	3.6%	43.4%
MONI	MONI-ES	5.7	22.4	94.9%	n.a.	78.3%	1.7	15.8%	n.a.	n.a.	83.1%

Free Cash Flow sensitivity analysis (2024e)

A) Rec. EBITDA and EV/EBITDA sensitivity to changes in EBITDA/Sales

Scenario	EBITDA/Sales 24e	EBITDA 24e	EV/EBITDA 24e
Max	3.2%	0.2	44.8x
Central	2.9%	0.2	49.4x
Min	2.6%	0.2	55.2x

B) Rec. FCF and Rec. FCF - Yield sensitivity to changes in EBITDA and CAPEX/sales

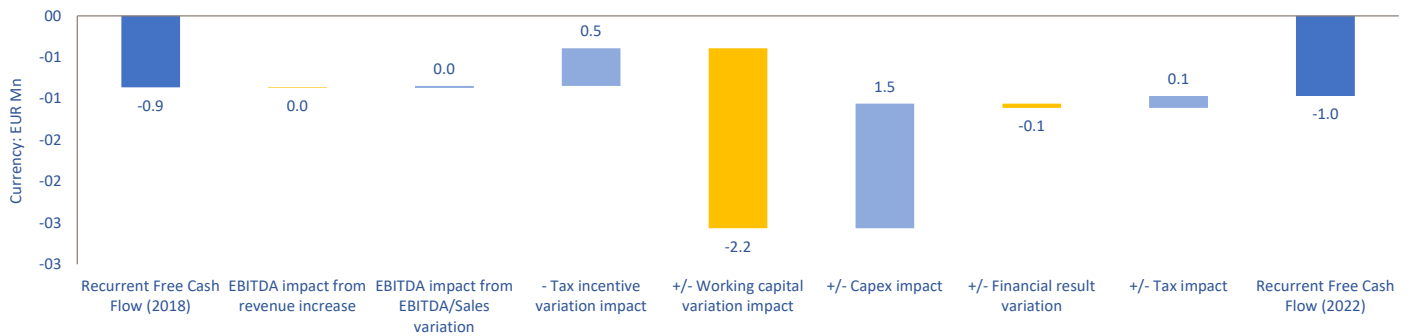
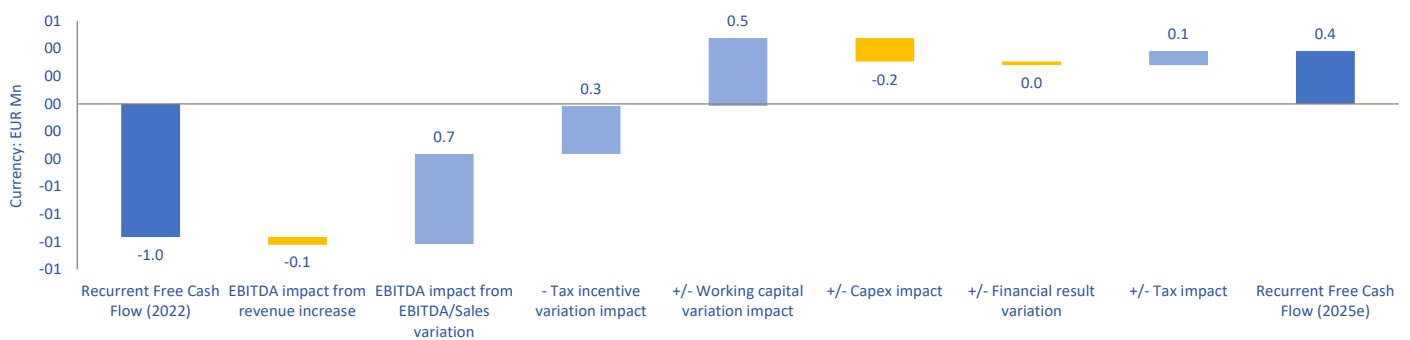
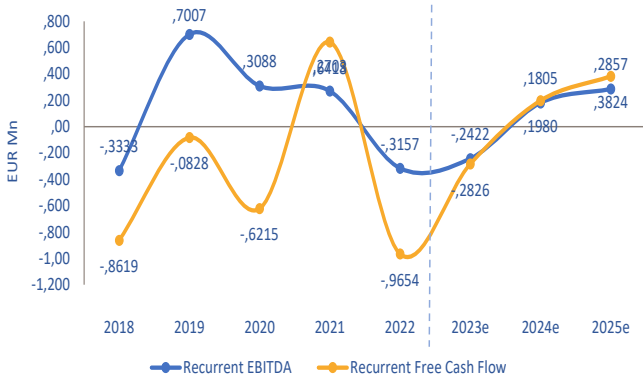
Rec. FCF EUR Mn	CAPEX/Sales 24e			Scenario	Rec. FCF/Yield 24e		
EBITDA 24e	4.5%	5.0%	5.5%		Max	Central	Min
0.2	0.2	0.2	0.2	Max	4.3%	3.8%	3.2%
0.2	0.2	0.2	0.2	Central	4.0%	3.5%	2.9%
0.2	0.2	0.2	0.1	Min	3.7%	3.1%	2.6%

Appendix 1. Financial Projections

Balance Sheet (EUR Mn)	2018	2019	2020	2021	2022	2023e	2024e	2025e	CAGR	
Intangible assets	3.0	2.1	2.0	1.3	1.4	1.5	1.7	1.9		
Fixed assets	0.1	0.1	0.2	0.4	0.3	0.3	0.3	0.3		
Other Non Current Assets	0.1	0.1	0.8	1.6	2.0	2.3	2.4	2.6		
Financial Investments	0.0	0.0	0.0	1.1	0.8	0.8	0.8	0.8		
Goodwill & Other Intangibles	-	-	-	-	-	-	-	-		
Current assets	1.6	2.2	2.8	2.0	3.7	3.9	4.6	5.0		
Total assets	4.8	4.4	5.9	6.3	8.1	8.7	9.7	10.6		
Equity	(3.9)	1.1	1.0	1.1	0.9	1.2	2.0	2.9		
Minority Interests	-	-	-	-	-	-	-	-		
Provisions & Other L/T Liabilities	1.0	0.5	1.1	0.2	0.1	0.1	0.1	0.1		
Other Non Current Liabilities	-	-	-	-	-	-	-	-		
Net financial debt	7.1	2.1	2.9	4.2	5.2	5.4	5.2	4.9		
Current Liabilities	0.6	0.7	1.0	0.9	1.9	2.0	2.4	2.7		
Equity & Total Liabilities	4.8	4.4	5.9	6.3	8.1	8.7	9.7	10.6		
P&L (EUR Mn)	2018	2019	2020	2021	2022	2023e	2024e	2025e	18-22	22-25e
Total Revenues	1.4	2.5	2.6	3.8	4.9	5.2	6.3	6.9	36.5%	12.4%
Total Revenues growth	-61.6%	77.7%	5.4%	45.9%	27.0%	5.9%	21.2%	10.7%		
COGS	(0.0)	(0.0)	(0.1)	(0.3)	(2.1)	(2.2)	(2.4)	(2.6)		
Gross Margin	1.4	2.5	2.5	3.5	2.8	3.0	3.8	4.3	19.8%	15.7%
Gross Margin/Revenues	96.6%	99.4%	96.5%	91.3%	57.3%	58.1%	61.0%	62.4%		
Personnel Expenses	(1.0)	(0.9)	(1.6)	(2.4)	(2.0)	(2.0)	(2.3)	(2.6)		
Other Operating Expenses	(0.7)	(0.9)	(0.6)	(0.8)	(1.2)	(1.2)	(1.4)	(1.5)		
Recurrent EBITDA	(0.3)	0.7	0.3	0.3	(0.3)	(0.2)	0.2	0.3	1.3%	42.7%
Recurrent EBITDA growth	-117.8%	310.2%	-55.9%	-12.5%	-216.8%	23.3%	174.5%	58.3%		
Rec. EBITDA/Revenues	n.a.	28.1%	11.7%	7.0%	n.a.	n.a.	2.9%	4.1%		
Restructuring Expense & Other non-rec.	(0.1)	0.5	0.0	(0.1)	(0.1)	-	-	-		
EBITDA	(0.4)	1.2	0.3	0.2	(0.4)	(0.2)	0.2	0.3	-0.5%	38.4%
Depreciation & Provisions	(1.3)	(1.1)	(0.8)	(1.1)	(0.4)	(0.4)	(0.4)	(0.5)		
Capitalized Expense	0.2	0.1	0.2	0.3	0.2	0.3	0.3	0.3		
Rentals (IFRS 16 impact)	-	-	0.5	0.8	0.8	0.8	0.9	1.0		
EBIT	(1.6)	0.2	0.2	0.1	0.2	0.5	1.0	1.2	20.8%	79.8%
EBIT growth	-330.5%	113.2%	-15.3%	-24.5%	51.1%	127.9%	113.7%	19.3%		
EBIT/Revenues	n.a.	8.3%	6.7%	3.4%	4.1%	8.8%	15.5%	16.7%		
Impact of Goodwill & Others	-	-	-	-	-	-	-	-		
Net Financial Result	(0.2)	(0.2)	(0.1)	(0.1)	(0.2)	(0.2)	(0.2)	(0.2)		
Income by the Equity Method	-	-	-	-	-	-	-	-		
Ordinary Profit	(1.8)	0.0	0.1	0.0	0.0	0.3	0.8	1.0	19.2%	n.a.
Ordinary Profit Growth	-441.9%	101.7%	118.8%	-37.9%	-17.6%	637.8%	202.2%	25.7%		
Extraordinary Results	(3.8)	0.0	-	-	-	-	-	-		
Profit Before Tax	(5.6)	0.0	0.1	0.0	0.0	0.3	0.8	1.0	19.0%	n.a.
Tax Expense	0.0	0.0	(0.0)	0.0	(0.1)	-	-	-		
Effective Tax Rate	n.a.	n.a.	25.9%	n.a.	n.a.	n.a.	n.a.	n.a.		
Minority Interests	-	-	-	-	-	-	-	-		
Discontinued Activities	-	-	-	-	-	-	-	-		
Net Profit	(5.5)	0.1	0.1	0.0	(0.1)	0.3	0.8	1.0	66.8%	n.a.
Net Profit growth	n.a.	101.1%	-17.8%	-16.2%	-260.9%	477.7%	202.2%	25.7%		
Ordinary Net Profit	(1.7)	(0.5)	0.0	0.1	0.1	0.3	0.8	1.0	19.9%	n.a.
Ordinary Net Profit growth	-472.3%	72.6%	109.3%	174.0%	-6.1%	128.9%	202.2%	25.7%		
Cash Flow (EUR Mn)	2018	2019	2020	2021	2022	2023e	2024e	2025e	18-22	22-25e
Recurrent EBITDA	(0.2)	0.2	0.3	0.3	0.3	0.2	0.2	0.3	1.3%	42.7%
Rentals (IFRS 16 impact)	0.5	0.8	0.8							
Working Capital Increase	(0.1)	(0.3)	(0.2)							
Recurrent Operating Cash Flow	0.2	0.7	0.9						-25.0%	55.5%
CAPEX	(0.3)	(0.3)	(0.3)							
Net Financial Result affecting the Cash Flow	(0.2)	(0.2)	(0.2)							
Tax Expense	-	-	-							
Recurrent Free Cash Flow	(0.3)	0.2	0.4						-2.9%	33.8%
Restructuring Expense & Other non-rec.	-	-	-							
- Acquisitions / + Divestures of assets	-	-	-							
Extraordinary Inc./Exp. Affecting Cash Flow	-	-	-							
Free Cash Flow	(0.3)	0.2	0.4						-13.5%	33.0%
Capital Increase	-	-	-							
Dividends	-	-	-							
Net Debt Variation	0.3	(0.2)	(0.4)							

Appendix 2. Free Cash Flow

A) Cash Flow Analysis (EUR Mn)	2019	2020	2021	2022	2023e	2024e	2025e	CAGR	
								19-22	22-25e
Recurrent EBITDA	0.7	0.3	0.3	(0.3)	(0.2)	0.2	0.3	-34.8%	42.7%
<i>Recurrent EBITDA growth</i>	310.2%	-55.9%	-12.5%	-216.8%	23.3%	174.5%	58.3%		
<i>Rec. EBITDA/Revenues</i>	28.1%	11.7%	7.0%	n.a.	n.a.	2.9%	4.1%		
- Rentals (IFRS 16 impact)	-	-	0.0	0.5	0.5	0.8	0.8		
+/- Working Capital increase	(0.4)	(0.4)	0.8	(0.7)	(0.1)	(0.3)	(0.2)		
= Recurrent Operating Cash Flow	0.3	(0.1)	1.0	(0.5)	0.2	0.7	0.9	-58.6%	55.5%
<i>Rec. Operating Cash Flow growth</i>	-77.7%	-139.3%	n.a.	-151.1%	133.6%	305.9%	29.2%		
<i>Rec. Operating Cash Flow / Sales</i>	10.5%	n.a.	26.7%	n.a.	3.4%	11.4%	13.3%		
- CAPEX	(0.2)	(0.5)	(0.3)	(0.2)	(0.3)	(0.3)	(0.3)		
- Net Financial Result affecting Cash Flow	(0.2)	(0.1)	(0.1)	(0.2)	(0.2)	(0.2)	(0.2)		
- Taxes	-	-	0.0	(0.1)	-	-	-		
= Recurrent Free Cash Flow	(0.1)	(0.6)	0.6	(1.0)	(0.3)	0.2	0.4	n.a.	33.8%
<i>Rec. Free Cash Flow growth</i>	90.4%	-650.4%	203.3%	-250.4%	70.7%	170.0%	93.2%		
<i>Rec. Free Cash Flow / Revenues</i>	n.a.	n.a.	16.7%	n.a.	n.a.	3.2%	5.5%		
- Restructuring expenses & others	-	-	-	(0.1)	-	-	-		
- Acquisitions / + Divestments	-	0.1	(1.9)	0.1	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	0.5	0.0	(0.1)	(0.1)	-	-	-		
= Free Cash Flow	0.4	(0.5)	(1.3)	(1.1)	(0.3)	0.2	0.4	-66.5%	33.0%
<i>Free Cash Flow growth</i>	163.5%	-232.8%	-142.0%	18.6%	73.7%	170.0%	93.2%		
<i>Recurrent Free Cash Flow - Yield (s/Mkt Cap)</i>	n.a.	n.a.	11.2%	n.a.	n.a.	3.5%	6.7%		
<i>Free Cash Flow Yield (s/Mkt Cap)</i>	7.2%	n.a.	n.a.	n.a.	n.a.	3.5%	6.7%		
B) Analytical Review of Annual Recurrent Free Cash Flow Performance (Eur Mn)									
	2019	2020	2021	2022	2023e	2024e	2025e		
Recurrent FCF(FY - 1)	(0.9)	(0.1)	(0.6)	0.6	(1.0)	(0.3)	0.2		
EBITDA impact from revenue increase	(0.3)	0.0	0.1	0.1	(0.0)	(0.1)	0.0		
EBITDA impact from EBITDA/Sales variation	1.3	(0.4)	(0.2)	(0.7)	0.1	0.5	0.1		
= Recurrent EBITDA variation	1.0	(0.4)	(0.0)	(0.6)	0.1	0.4	0.1		
- Rentals (IFRS 16 impact) variation impact	-	-	0.0	0.5	0.0	0.3	(0.0)		
+/- Working capital variation impact	(2.0)	0.0	1.2	(1.4)	0.6	(0.2)	0.1		
= Recurrent Operating Cash Flow variation	(0.9)	(0.4)	1.1	(1.5)	0.7	0.5	0.2		
+/- CAPEX impact	1.5	(0.3)	0.2	0.1	(0.1)	(0.1)	(0.0)		
+/- Financial result variation	(0.1)	0.1	(0.0)	(0.1)	(0.0)	(0.0)	0.0		
+/- Tax impact	0.2	-	0.0	(0.1)	0.1	-	-		
= Recurrent Free Cash Flow variation	0.8	(0.5)	1.3	(1.6)	0.7	0.5	0.2		
Recurrent Free Cash Flow	(0.1)	(0.6)	0.6	(1.0)	(0.3)	0.2	0.4		
C) "FCF to the Firm" (pre debt service) (EUR Mn)									
	2019	2020	2021	2022	2023e	2024e	2025e	CAGR	
EBIT	0.2	0.2	0.1	0.2	0.5	1.0	1.2	-1.1%	79.8%
* Theoretical Tax rate	0.0%	25.9%	0.0%	30.0%	0.0%	0.0%	0.0%		
= Taxes (pre- Net Financial Result)	-	(0.0)	-	(0.1)	-	-	-		
Recurrent EBITDA	0.7	0.3	0.3	(0.3)	(0.2)	0.2	0.3	-34.8%	42.7%
- Rentals (IFRS 16 impact)	-	-	0.0	0.5	0.5	0.8	0.8		
+/- Working Capital increase	(0.4)	(0.4)	0.8	(0.7)	(0.1)	(0.3)	(0.2)		
= Recurrent Operating Cash Flow	0.3	(0.1)	1.0	(0.5)	0.2	0.7	0.9	-58.6%	55.5%
- CAPEX	(0.2)	(0.5)	(0.3)	(0.2)	(0.3)	(0.3)	(0.3)		
- Taxes (pre- Financial Result)	-	(0.0)	-	(0.1)	-	-	-		
= Recurrent Free Cash Flow (To the Firm)	0.1	(0.6)	0.7	(0.8)	(0.1)	0.4	0.6	n.a.	40.2%
<i>Rec. Free Cash Flow (To the Firm) growth</i>	121.1%	-677.1%	219.0%	-204.7%	89.1%	582.9%	43.6%		
<i>Rec. Free Cash Flow (To the Firm) / Revenues</i>	4.2%	n.a.	18.9%	n.a.	n.a.	6.4%	8.3%		
- Acquisitions / + Divestments	-	0.1	(1.9)	0.1	-	-	-		
+/- Extraordinary Inc./Exp. affecting Cash Flow	0.5	0.0	(0.1)	(0.1)	-	-	-		
= Free Cash Flow "To the Firm"	0.6	(0.5)	(1.2)	(0.7)	(0.1)	0.4	0.6	-48.0%	40.5%
<i>Free Cash Flow (To the Firm) growth</i>	309.1%	-188.9%	-132.4%	40.0%	88.9%	582.9%	43.6%		
<i>Rec. Free Cash Flow To the Firm Yield (o/EV)</i>	1.2%	n.a.	8.1%	n.a.	n.a.	4.5%	6.4%		
<i>Free Cash Flow "To the Firm" - Yield (o/EV)</i>	6.7%	n.a.	n.a.	n.a.	n.a.	4.5%	6.4%		

Recurrent Free Cash Flow accumulated variation analysis (2018 - 2022)

Recurrent Free Cash Flow accumulated variation analysis (2022 - 2025e)

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	5.7	
+ Minority Interests	-	12m Results 2022
+ Provisions & Other L/T Liabilities	-	12m Results 2022
+ Net financial debt	3.2	Lighthouse 2023
- Financial Investments	-	12m Results 2022
+/- Others		
Enterprise Value (EV)	8.9	

Appendix 4. Historical performance ⁽¹⁾

Historical performance (EUR Mn)	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023e	2024e	2025e	CAGR	
															12-22	22-25e
Total Revenues						3.7	1.4	2.5	2.6	3.8	4.9	5.2	6.3	6.9	n.a.	12.4%
Total Revenues growth						n.a.	-61.6%	77.7%	5.4%	45.9%	27.0%	5.9%	21.2%	10.7%		
EBITDA						1.9	(0.4)	1.2	0.3	0.2	(0.4)	(0.2)	0.2	0.3	n.a.	38.4%
EBITDA growth						n.a.	-123.2%	377.0%	-73.4%	-39.1%	-327.4%	45.0%	174.5%	58.3%		
EBITDA/Sales						50.8%	n.a.	47.9%	12.1%	5.0%	n.a.	n.a.	2.9%	4.1%		
Net Profit						0.4	(5.5)	0.1	0.1	0.0	(0.1)	0.3	0.8	1.0	n.a.	n.a.
Net Profit growth						n.a.	n.a.	101.1%	-17.8%	-16.2%	-260.9%	477.7%	202.2%	25.7%		
Adjusted number shares (Mn)						31.4	31.4	33.6	59.4	58.3	20.0	20.0	20.0	20.0		
EPS (EUR)						0.01	-0.18	0.00	0.00	0.00	0.00	0.01	0.04	0.05	n.a.	n.a.
EPS growth						n.a.	n.a.	n.a.	-53.5%	-14.7%	n.a.	n.a.	n.a.	25.7%		
Ord. EPS (EUR)						0.01	-0.05	-0.01	0.00	0.00	0.01	0.01	0.04	0.05	n.a.	n.a.
Ord. EPS growth						n.a.	n.a.	74.4%	n.a.	n.a.	n.a.	n.a.	n.a.	25.7%		
CAPEX						(4.1)	(1.7)	(0.2)	(0.5)	(0.3)	(0.2)	(0.3)	(0.3)	(0.3)		
CAPEX/Sales % ¹						113.0%	119.7%	6.3%	17.5%	7.8%	3.6%	5.0%	5.0%	5.0%		
Free Cash Flow						(3.7)	(0.6)	0.4	(0.5)	(1.3)	(1.1)	(0.3)	0.2	0.4	n.a.	33.0%
ND/EBITDA (x) ⁽²⁾						3.4x	n.a.	1.8x	9.0x	21.5x	n.a.	n.a.	29.0x	17.0x		
P/E (x)						15.8x	n.a.	n.a.	n.a.	n.a.	n.a.	22.4x	7.4x	5.9x		
EV/Sales (x)						5.48x	10.68x	1.93x	8.75x	2.95x	2.22x	1.73x	1.43x	1.29x		
EV/EBITDA (x) ⁽²⁾						10.8x	n.a.	4.0x	n.a.	n.a.	n.a.	n.a.	49.4x	31.2x		
Absolute performance						-44.4%	-67.2%	347.5%	-58.1%	135.6%	-7.5%	-2.7%				
Relative performance vs Ibex 35						-48.2%	-61.5%	300.2%	-50.4%	118.3%	-2.1%	-16.6%				

Note 1: The multiples are historical, calculated based on the price and EV at the end of each year, except (if applicable) in the current year, when multiples would be given at current prices. The absolute and relative behavior corresponds to each exercise (1/1 to 31/12). The source, both historical multiples and the evolution of the price, is Factsset.

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

Appendix 5. Main peers 2023e

		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	USA	Canada	France	Italy	Germany		Spain	
	Market cap	3,518.6	1,787.8	163.9	122.8	23.3	43.5		5.7	
	Enterprise value (EV)	3,000.7	5,789.8	777.4	149.7	33.8	44.5		8.9	
Basic financial information	Total Revenues	469.2	3,949.7	351.3	50.6	15.0	5.8		5.2	
	Total Revenues growth	-15.5%	11.7%	12.1%	41.7%	-55.3%	15.0%	12.5%	5.9%	
	2y CAGR (2023e - 2025e)	4.4%	3.1%	6.0%	13.4%	5.2%	n.a.	6.7%	15.8%	
	EBITDA	101.5	393.9	75.4	34.1	7.0	3.8		(0.2)	
	EBITDA growth	-45.3%	-76.9%	22.9%	40.8%	-70.6%	13.4%	-14.6%	45.0%	
	2y CAGR (2023e - 2025e)	11.8%	6.1%	-0.9%	13.3%	16.8%	n.a.	7.6%	78.3%	
	EBITDA/Revenues	21.6%	10.0%	21.5%	67.4%	46.7%	66.1%	30.1%	n.a.	
	EBIT	123.0	117.9	51.7	10.6	2.0	1.8		0.5	
	EBIT growth	-32.4%	618.5%	36.8%	184.2%	102.8%	15.8%	201.8%	127.9%	
	2y CAGR (2023e - 2025e)	14.0%	41.7%	24.7%	15.4%	40.5%	n.a.	24.0%	59.7%	
	EBIT/Revenues	26.2%	3.0%	14.7%	20.9%	13.3%	30.6%	16.2%	8.8%	
	Net Profit	88.1	(80.3)	3.9	7.7	1.1	1.4		0.3	
	Net Profit growth	-33.6%	95.6%	179.7%	422.3%	101.5%	18.5%	166.0%	477.7%	
2y CAGR (2023e - 2025e)	14.0%	65.0%	n.a.	16.4%	48.0%	n.a.	31.8%	94.9%		
CAPEX/Sales %	0.5%	1.0%	2.1%	42.8%	10.0%	0.0%	11.6%	5.0%		
Free Cash Flow	122.3	52.6	2.7	8.5	(3.4)	1.4		(0.3)		
Net financial debt	(536.6)	1,966.6	391.3	11.4	12.0	n.a.		5.4		
ND/EBITDA (x)	n.a.	5.0	5.2	0.3	1.7	n.a.	3.5	n.a.		
Pay-out	30.2%	0.0%	0.0%	0.0%	n.a.	0.0%	7.6%	0.0%		
Multiples and Ratios	P/E (x)	38.9	25.0	n.a.	16.0	n.a.	30.4	26.6	22.4	
	P/BV (x)	4.4	2.5	3.5	1.6	n.a.	1.8	3.0	4.8	
	EV/Revenues (x)	6.4	1.5	2.2	3.0	2.3	7.7	3.3	1.7	
	EV/EBITDA (x)	29.5	14.7	10.3	4.4	4.8	11.7	14.7	n.a.	
	EV/EBIT (x)	24.4	49.1	15.0	14.2	16.9	25.3	25.7	19.6	
	ROE	11.2	9.9	7.6	10.1	n.a.	6.0	9.7	23.9	
	FCF Yield (%)	3.5	2.9	1.6	6.9	n.a.	3.3	3.7	n.a.	
	DPS	0.65	0.00	0.00	0.00	n.a.	0.00	0.16	0.00	
	Dvd Yield	0.8%	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
04-Jul-2023	n.a.	0.286	n.a.	n.a.	Important news	Luis Esteban Arribas
12-Jun-2023	n.a.	0.290	n.a.	n.a.	Small & Micro Caps (Spain)	David López Sánchez
14-Apr-2023	n.a.	0.272	n.a.	n.a.	Important news	David López Sánchez
16-Mar-2023	n.a.	0.354	n.a.	n.a.	12m Results 2022 - Estimates downgrade	David López Sánchez
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

